FBIS DAILY REPORT CONTENTS

Eastern Europe

Vol II No 249 *26 December 1979*

CSCE/MBFR/DISARMAMENT

Polish Sejm Committee Adopts Resolution on NATO Decision BB 1
Deputy on NATO Euromissiles BB 2
PAP on West's 'Departure' From Earlier MBFR Stands BB 2
Bulgarian National Assembly Attacks NATO Missile Decision BB 3
[RABOTNICHESKO DELO 19 Dec]
CTK Cites PRACE on NATO Decision on Nuclear Missiles BB 4
Prague Comments on NATO's Latest Proposals at Vienna MBFR Talks BB 5
[Kvasnicka]

GERMAN DEMOCRATIC REPUBLIC

Commentator Assails U.S. Military Plans for Middle East E 1
[Weber]
Defense Minister Hoffmann Delivers Speech at SEC Plenum E 2
[NEUES DEUTSCHLAND 15-16 Dec]
People's Chamber Committee Reports on Employment, Good Management E 9
Briefs: Transformer Stations for Syria E 9

POLAND

Jablonski Addresses Krakow Party Conference 12 December G 1
[TRYBUNA LUDU 13 Dec]
Jaroszewicz Addresses Sejm Session 21 December G 8
Trade Delegation Concludes Agreement With USSR G 17
[Kolijewicz]

YUGOSLAVIA

Moscow 'Announces Countermeasures' by East After NATO Decision I 1
TANJUG Assesses Gromyko-Watson Talks on Iran in Moscow I 1
Commentary on Observance of Stalin's Anniversary in USSR I 2
VJESNIK Reports on Condemnation of Dissidents in Poland I 2
Sundic Assails Bulgarian Duplicity, Markovski Appointment I 3
Trade With Albania To Total $80 Million I 4
Reportage on Celebrations Honoring Army Day I 4
YPA Greetings to Tito I 4
Tito Meeting With Delegation I 5
Ljubicic Speech I 7
Tito Meeting With Veterans I 9

POLISH SEJM COMMITTEE ADOPTS RESOLUTION ON NATO DECISION

LD211832 Warsaw PAP in English 1714 GMT 21 Dec 79 LD

["Resolution of Sejm Foreign Committee on NATO Decision"--PAP headline]

[Text] Warsaw, 21 Dec, PAP--Meeting of the Polish Sejm Committee for Foreign Affairs was held here today. Deputy Ryszard Frelek (PUWP) presided over the debates. The committee adopted the following resolution:

"The NATO decision to deploy new nuclear missiles in Western Europe aroused indignation of wide circles of the Polish nation. Letters and appeals adopted at rallies in work enterprises, higher schools and offices, or institutions or sent by inaividuals representing various millieux, are just in pointing out that the arms race forced through by the NATO would disrupt the commonly beneficial realization of the historic Final Act of the Helsinki Conference.

"The Polish nation, so heavily experienced by the last war, and considering peace the greatest good, is deeply concerned over this decision and all its negative effects.

"The Polish people, since long ago especially sensitive to the nuclear armaments in Europe and the increase in military potential of the Federal Republic of Germany, views the NATO plans as an extremely serious threat to all-European security."

"Sharing these feelings completely, the Sejm Foreign Affairs Committee considers the NATO decision incompatible with the essence of the process of detente which, in the 1970's, has made considerable progress and aimed to further improve the political climate and expand cooperation in the East-West relations. Together with the Soviet Union and other socialist countries, Poland spared no effort to broaden and develop this process, making it durable and irreversible.

"The Foreign Committee pointed to the dangerous effects of the NATO plans in its statement adopted at the meeting of November 21. We appealed then to the parliamentary foreign committees in Europe and to all the peaceful forces of this continent not to allow [NATO] to create accomplished facts which would be incompatible with the vital interests of peace, to open negotiations on the initiatives which created a real chance of military detente."

"The Polish Sejm Foreign Committee expresses conviction that the Government of the Polish People's Republic will continue to act energetically and consistently both in the forum of international organizations and bilateral relations to prevent the implementation of NATO's dangerous decision, for the cause of maintaining and consolidating detente, halting the arms race and opening the road for disarmament.

"The committee also expresses conviction that these actions will be accompanied by the activity of Polish social, professional and youth organizations, intellectual millieux as well as others, which in their international contacts will present the opinion of the Polish nation, standing firmly against the creation of new threats in Europe, in favour of creating the premises of a new peaceful coexistence among the nations."

Deputy on NATO Euromissiles

LD201750 Warsaw PAP in English 1314 GMT 20 Dec 79 LD

[Text] Warsaw, 20 Dec, PAP--Ryszard Wojna, Sejm deputy and TRYBUNA LUDU daily commentator, told the Polish INTERPRESS agency that the NATO decision to deploy new nuclear missiles in Western Europe means "striving to bypass the SALT II treaty and to return to a policy from the position of force.

"Statements by many of the Western world's leaders prove that the NATO states would like to be able to use the position of force in order to return to the policy of dealing with the Third World oil producers and dictating their prices. These leaders maintain that the existing global balance of forces neutralizes the West's military power and hinders its Third World policy.

"There is another aspect of this matter, too: By accepting the deployment of new American medium-range nuclear missiles, capable of reaching far into Soviet territory from its territory, the FRG has, in a way, voiced its candidacy to take part--indirectly--in the SALT II negotiations. This way, having become a state with a global financial and economic influence, the FRG would like to become at least a partner to the superpowers in negotiations concerning medium-range nuclear missiles.

"Neither we nor Europe can remain indifferent to this fact," Wojna said.

PAP ON WEST'S 'DEPARTURE' FROM EARLIER MBFR STANDS

LD211640 Warsaw PAP in English 1300 GMT 21 Dec 79 LD

[By special correspondent Andrzej Ryzacher]

[Text] Vienna, 21 Dec PAP--Western representatives at the Vienna talks on the reduction of armed forces and armaments have backed out of essential agreements which were a result of many years of negotiations. The most important of the agreements applies to the reciprocity of reduction: The socialist countries approved of the Western concept of dividing the process of reduction into stages and of the proposal that on the first stage of the process the Soviet Union will reduce a bigger number of men than the U.S.

The socialist countries, however, wanted also to be sure that the process would not end with Soviet steps and that those Western sides to the talks, whose armed forces account for 75 percent of the NATO potential in Central Europe, will also reduce their strength. Formerly, the West had been ready to render such a guarantee. The present Western proposal, however, draws apart the two stages of talks and reduction and from the point of view of our security does not provide sufficient guarantees.

Worthy of attention is also the withdrawal of the West from its readiness to reduce both conventional and nuclear armaments. The U.S. that since 1975 has been ready to reduce its stockpile in Europe comprising 7,200 warheads by 1,000 and the number of means of transportation (Phantom planes and Pershing I rockets) by 90, is now excluding this part from the Vienna talks.

As Ambassador de Vos said at a press conference here, the West, acknowledging the unilateral withdrawal of 20,000 men and 1,000 tanks from the GDR by the Soviet Union, demands the withdrawal of further 30,000 men in return for the withdrawal of only 13,000 U.S. men. The U.S. is going to reduce the number of its warheads by 1,000 but while taking it out of the Vienna package and depending on the implementation of the plans for deploying 575 Pershing II and Tomahawks in Western Europe.

One should point not only to the departure from the "warheads for tanks" deal but also the fact that the Western offer to reduce 90 means of transporting nuclear weapons has got lost somewhere on the way to the new NATO proposal.

The departure of the West from the earlier and much more constructive stance cannot pass unnoticed in Poland, which put forth plans for an atom-free zone and a zone of thinned down nuclear armaments in Central Europe, and which has long struggled for the lessening of the threat of nuclear confrontation in Europe, being guided by the collective and national interest.

The socialist states have announced that they will examine the Western proposals but after the first evaluation of the proposals they said last Thursday that the proposals did not include elements that would help to bring the stands of the sides closer together. The lack of such elements can be easily associated with the decisions on armaments taken by the NATO Council last week.

BULGARIAN NATIONAL ASSEMBLY ATTACKS NATO MISSILE DECISION

AU211325 Sofia RABOTNICHESKO DELO in Bulgarian 19 Dec 79 p 1 AU

["Declaration" of the Bulgarian National Assembly adopted on 18 December 1979 at the 12th session of the Bulgarian National Assembly]

[Text] The Bulgarian People's Republic's National Assembly and all Bulgarian people are reacting with concern and alarm to the decision adopted by the December session of the NATO council in Brussels on the production and deployment of new U.S. medium-range nuclear missiles on the territories of certain West European countries.

This decision is to the advantage of the most reactionary and aggressive NATO circles and conflicts with the will and vital interests of the European peoples. Mass protests of the broadest circles of West European public opinion were disregarded as were the justified objections of a number of sober-minded political and state figures against the U.S. plans concerning the "modernization" of NATO nuclear weapons.

No constructive answer was given to the peaceful initiatives of the USSR and of the other Warsaw Pact countries, initiatives aimed at the alleviation of military confrontation and at stopping the armaments race in Europe, including that of medium-range nuclear missiles, initiatives aimed at giving an impetus to the achievement of new agreements on military detente.

The appeal of the parliamentarians from Warsaw Pact countries, launched at their meeting held on 15 through 16 October in Prague, was disregarded.

The appeal of the Warsaw Pact countries' Foreign Ministers Committee, aimed at a review of the situation created in Europe and urging against the taking of any actions which are likely to complicate the situation on the continent, was disregarded as well.

The NATO Council decision to produce and deploy qualitatively new U.S. nuclear missiles in Europe is an attempt at shifting the presently existing balance of forces and an attempt to obtain military superiority to the detriment of the Warsaw Pact countries, a fact which in the long run threatens the security of all European countries. There is no doubt that the implementation of this attempt will inevitably produce a dangerous new round in the armaments race and that it will drastically increase the burden of military expenditures.

This decision is in contradiction with the final Helsinki document; it seriously jeopardizes the cause of peace, security and cooperation on the European Continent; it creates obstacles along the path of detente and increases the danger of a nuclear missile war. Once more taking advantage of the alleged Soviet threat myth, reactionary NATO circles are trying to mislead worldwide public opinion and to justify the decision they have adopted.

The present international situation demands realistic steps for taming the arms race, steps for a disarmament on the basis of equal rights and equal security, steps for a disarmament on the basis of equal rights and equal security, steps aimed at the consolidation of mutual trust among states and peoples. This is a moment of great responsibility--the crucial problem of European peoples and of peoples throughout the world is being resolved: Will a new round of the arms race begin, or will we proceed further along the path of consolidating peace in Europe and beyond the European borders?

The National Assembly of the People's Republic of Bulgaria evaluates as exceptionally topical and constructive and fully supports the new peaceful initiatives of the USSR--adopted in agreement with the Warsaw Pact countries--and contained in the speech delivered by Leonid Ilich Brezhnev, general secretary of the CPSU Central Committee and chairman of the USSR Supreme Soviet Presidium, in Berlin on 6 October 1979.

The Bulgarian parliamentarians note with particular concern that the NATO decision will exert a negative effect upon the situation in the Balkan Peninsula. If the new U.S. weapons should be deployed also in Western Europe, this would mean a threat against the security of the Balkan peoples as well, since the range of these weapons encompasses the Balkans as well.

Our country will continue also in the future to contribute to the struggle against the forces of war and confrontation, for the consolidation of peace, security and detente in Europe and throughout the world.

Sofia, 18 December 1979.

CTK CITES PRACE ON NATO DECISION ON NUCLEAR MISSILES

LD191014 Prague CTK in English 0830 GMT 19 Dec 79 LD

[Press review on NATO missiles decision]

[Text] Prague--The haste with which the Americans and their allies in the NATO decided on the deployment of new types of U.S. missiles in Europe testifies to the intention of not allowing in Western Europe a discussion of all rational advantages ensuing from Soviet initiatives, Pavel Auersperg wrote in PRACE today. They ignored the voice of political realism and opted for a course aimed at changing the strategic situation in Europe and winning unilateral advantages for the NATO.

Pavel Auersperg said that the policy of detente is going through a difficult test now when demands for its qualities such as unswerving adherence to principles, resolve, patience and perseverance are increasing, as well as the demard for its conceptual realism and the art of resolutely countering all NATO provocations without ignoring the chief strategic aim--effort for asserting the principle of equal security in military detente in Europe.

Pavel Auersperg added that Czechoslovakia fully supports the Soviet peace initiatives as well as all the other steps the socialist countries will take.

PRAGUE COMMENTS ON NATO'S LATEST PROPOSALS AT VIENNA MBFR TALKS

LD211752 Prague in English to Africa 1530 GMT 21 Dec 79 LD

[Text] The 19th round of the Vienna talks on troops and armaments reduction in central Europe yesterday ended in the Hofburg Palace. Radio Prague's news analyst Vaclav Kvasnicka comments:

As expected, the Western European countries came forth with a fresh proposal, but at the same time a rather incoherent one, a proposal preceded by a noisy propaganda in NATO's mass media engineered to soften the somewhat reluctant response by the world public opinion to the NATO Council decision to go ahead with the production and deployment in Western Europe of new intermediate range nuclear missiles.

In sharp contradiction with reality this so-called new Western initiative at the Vienna talks emanates from the alleged Warsaw Treaty military supremacy over NATO forces in central Europe. The Atlantists suggest that the Soviet Union withdraw 30,000 troops. Evidently NATO chooses to remain blind to the already proceeding withdrawal from the German Democratic Republic of 20,000 Soviet soldiers. (?The odds are) that in order to meet the Western demand the Warsaw Treaty should cut its troops in central Europe up to four times as much as NATO.

One cannot but recall in this connection that even with the current approximate balance of forces in this region the Warsaw Treaty troops are outnumbered by the Atlantists, this according to Western data. As the Soviet delegate Nikolay Tarasov told the session in Vienna yesterday, back in 1973 before the opening of the Vienna talks, NATO increased its power in central Europe by 20,000 troops and another 50,000 men gradually came in as the talks went on. Over the same period the Warsaw Treaty has not sent in a single additional soldier. And there are other weak points in yesterday's Western proposal. The reduction should not affect troops from West Germany, Britain and other NATO countries which in reality constitute 75 percent of the North Atlantic military power, and again, this doesn't come up as a surprise as in the course of the Vienna negotiations the West has resorted to such tactics more than once.

What proves the incoherence of the latest Western proposal most of all, however, is the fact that the 600 new medium-range missiles, which when stationed in Western Europe will dramatically shift the standing ratio of power to the benefit of the West, remain absolutely unmentioned. Moreover, it is highly regrettable that up to now NATO has not responded to the Warsaw Treaty's earlier proposals. Somewhat surprising therefore were the words of West German Foreign Minister Hans Dietrich Genscher when he not so long ago urged the Warsaw Treaty to be reasonable and not to waste time.

The head of the Soviet delegation said in Vienna yesterday that the Warsaw Treaty would study the latest Western proposals. However, he said, it can be seen already now that the West is simply not considering all the factors vital for signing a mutually acceptable agreement.

COMMENTATOR ASSAILS U.S. MILITARY PLANS FOR MIDDLE EAST

LD222120 East Berlin Voice of the GDR Domestic Service in German 1705 GMT 22 Dec 79 LD

[Text] A U.S. military delegation is presently visiting several states in the Middle East oil-producing region on U.S. Government business. Our Middle East correspondent Wieland Weber deals with aspects of U.S. military policy in this area:

It is a desert. Tanks are rolling across a roadless terrain, surmounting sand dunes, and soldiers are moving into attack alongside the tanks. These pictures, recently published here in Arab newspapers, are not a vision of the future--they reflect actual facts. It is true that the military hardware is rolling through deserts in Texas and California, but all this is not simply for amusement. They are training for war and, according to the Pentagon, this war should be envisaged as taking place over 10,000 km away if necessary. And it is the White House and the four-star generals who will decide when it is necessary. They believe that they must take precautions in case American interests are endangered. This, by the way, is exactly how Washington has expressed it. Just what is meant is not explained in detail, but, among other things, newspaper disclosures and common sense are enough to make it clear.

The use of military force is intended for when, for example, the United States sees that its so urgently needed oil supplies from the Near and Middle East region are threatened. This is the crux of the matter around which revolve related problems, such as the compliance of the countries in question and their internal stability--which are naturally intended to guarantee a relationship of dependency on Washington. In short, conservative regimes should be preserved and revolutionary developments directed toward progress should be halted or even made impossible. In this respect, imperialism undoubtedly has a goodly measure of experience, but the times when U.S. leathernecks could break the will of peoples without being punished belong largely to the past. Gunboat diplomacy has had its day and it cannot be revived in the modernized form of aircraft carrier diplomacy. Nevertheless, Washington's present actions leave no room for doubt, and there are enough examples of the saber-rattling and dangerous actions that provoke crises.

As a result of the tensions between the United States and Iran, a whole armada of warships has been concentrated in the Indian Ocean and the Arabian Sea. In the United States they are working with great haste to perfect the interventionist force for the "protection of U.S. interests in the Middle East," as it is called. An Israeli newspaper writes that this intervention force is in a permanent state of readiness and that in case of action Tel Aviv would provide it with armed assistance.

But for better or worse, in Washington they had to realize recently that this threatening attitude caused strong popular protests in the Arab world and in some Islamic countries. And certain countries which can hardly be accused of being an example of progressive development, for example Saudi Arabia, turn a cold shoulder to the United States in some matters. The Saudi defense minister, Sultan ibn 'Abd al-'Aziz, for example, has just stated that foreign intervention would be strongly opposed. This was addressed to Washington. Kuwait has also stated its position clearly with regard to any American intervention in the Persian Gulf. The newspaper TISHRIN, in anti-imperialist-minded Syria, stated clearly that the time when the United States could treat the Middle East like a federal state has past.

DEFENSE MINISTER HOFFMANN DELIVERS SPEECH AT SED PLENUM

AU202035 East Berlin NEUES DEUTSCHLAND in German 15-16 Dec 79 pp 5-6 AU

[From the speech by Army Gen Heinz Hoffmann, member of the SED Politburo and minister of national defense at the 11th SED Central Committee session: "Demands as Regards Protecting Socialism are Increasing"]

[Text] Dear women and men comrades, first I would like to express full support to Comrade General Secretary Erich Honecker, for the Politburo report--also on behalf of the other comrades of the National Peoples' Army [NPA] and the Border Troops.

May I subsequently be permitted to discuss some aspects of our security and defense policy broached by Comrade Honecker in the Politburo report. Therein he said that there are a number of new questions that are asking for an answer and he went on to say literally: "Central in this context is the securing of peace because peace is the prerequisite for man's well-being."

Each of us knows that preserving peace and securing our social and state system, defending the gains of the working people in the GDR and the other fraternal countries constitute the basic prerequisite, the vital condition for every step ahead that we want to undertake in enhancing the material and cultural standard of living of our people.

Europe Should Become a Region of Stable Peace

Thus it was not by accident that on top of the agenda of the 12th session of the Committee of Defense Ministers of the Warsaw Pact member states which, as is well known, took place in early December in Warsaw, was the discussion of measures of the combined armed forces in connection with the new peace initiatives expounded on in the speech of Comrade Leonid Ilich Brezhnev given in our capital of Berlin on 6 October. I was able to point out in my contribution to the discussion that the GDR, at the side of its allies, has made quite a few efforts even in the past years to transform Europe from a continent of tension and war into an area of stable peace and mutually advantageous cooperation.

It is not a secret for anyone of us that, in the interest of detente and the implementation of the CSCE decisions, our working people have deliberately assumed a number of economic and political encumbrances connected with the traffic of millions of visitors from the FRG and West Berlin, with the increased possibilities of influence of the enemy mass media and the necessary measures for reinforcing border protection and state security to ward off open and covert enemy attacks.

Thanks to the unwavering Leninist policy of the CPSU, the SED and of the other fraternal parties, thanks to the great political wisdom and energy in particular of the CPSU Central Committee and its secretary general our fraternal countries have thus far always succeeded in taking exactly into consideration the interrelations between securing peace and strengthening socialism, between military detente and securing the defense capability of the liberated workers and peasants.

I was able to state with pride in Warsaw that both the army members and the GDR working people have understood the unconditional unity of detente steps and of strengthening the defense capability of socialism, endorse this unity and are themselves actively participating to this end. Just like the peoples of the Soviet Union and of the other socialist fraternal countries, like all men of good will, the GDR working people value the Berlin initiative as an important step toward the development of mankind in the direction of peace and social progress.

War Maneuvers of the North Atlantic Pact

The ruling circles of the West, above all those of the United States, the FRG and Great Britain, have not replied constructively to the Soviet initiatives, but are striving to detract from their significance for the cause of peace and Europe and to let them drown in propaganda blabber about a so-called "disturbance of the balance of forces" and an alleged "Soviet threat."

Mr Apel, the Federal defense minister, stated in all seriousness at the missile party congress [Raketen Parteitag] of the SPD which endorsed the NATO's new arms round in deliberate disregard of the opinion of a large number of SPD members: "Who, as it were, sets the arms spiral in motion? Who continuously keeps this arms spiral going? We? Or is it not the Warsaw Pact and the Soviet Union?" Ten years of detente policy, Mr Apel opined demagogically, have not prevented the Soviet Union from boosting its conventional and nuclear capacities.

And this was said by that same defense minister who in another place cannot boast enough of how much as been done in 10 years of the SPD/FDP government for the modernization of the Bundeswehr, for the acquisition of very expensive and very destructive weapons! All over the country the Bundeswehr leadership is making it known that its "Leopard" tank is the best in the world, that its new "Tornado" combat plane is far superior to all comparable types in either the West or the East and that its missiles and helicopters are holding the lonely pinnacle of top standards.

According to FRG press reports M55.4 billion worth of arms systems have been ordered for the Bundeswehr in the eighties. But it can be foreseen even now that the budget appropriation is not adequate for the planned arms purchases. The planned 322 "Tornado" combat planes, estimated at M15.5 billion, will cost M19.9 billion. The planned 1,800 "Leopard 2" tanks underwent a cost increase from M6.4 to M7.2 billion. U.S. experts have figured out that the Bundeswehr arms program will cost M140 billion altogether instead of M55.4 billion.

It is not only armaments that are being forcibly stepped up; the immediate preparations for a military conflict in Europe have increased. This was shown particularly clearly by the series of NATO maneuvers this fall.

At these maneuvers 26 exercises on a major scale were carried out in which the armed forces of all NATO states participated with the exception of Greece and Iceland. The exercises took place in the command sectors of all NATO high commands and extended from Norway to Turkey and to the maritime areas of the North and Baltic seas, the eastern Atlantic and the Mediterranean. Altogether there participated in them some 300,000 men with some

--10,000 tanks and armored personnel carriers,
--9,900 combat planes,
--500 helicopters, as well as
--400 combat ships and boats.

Particularly in the time from 12 to 21 September there was a great concentration of forces on FRG territory, totaling some 120,000 men and some 6,500 tanks and armored personnel carriers of NATO land forces, in the course of four troop exercises.

Thus two strong assault groups of the NATO armed forces, whose level of combat-readiness enables them to start surprise aggressive acts against the GDR, were simultaneously deployed immediately opposite the GDR. It is no accident that at the same time exercises of the occupation troops of the United States and Great Britain took place in West Berlin with more than 7,000 men, which largely conformed to the objectives of the fall maneuver series.

Immediately following up these maneuvers, the naval forces of a total of 10 NATO states practiced in the eastern Atlantic and the North Sea the moving-up of reinforcements from the United States to central Europe and support for the actions of the land forces in southern Europe.

NATO Aspires to Superiority

The intention of NATO is obvious. It consists in achieving in Europe military superiority over the Warsaw Pact countries and in attempting to change the strategic position in the world in the favor of imperialism. The extensive programs for perfecting strategic nuclear weapons, the measures to accelerate the development of new types of means of mass destruction, to set up a so-called rapid deployment corps earmarked for military intervention in various parts of the world, embarked upon in the United States are aimed precisely at this.

And finally, the stubborn statements by leading personalities of the United States and Western European states to the effect that first NATO's military power must be modernized before negotiating with the Warsaw Pact countries about mutual arms limitations are also subordinated to this objective. By requesting these preliminary conditions they actually want to destroy the basis for talks.

Mr Brown, U.S. secretary of defense, has exposed the objectives of this so-called "modernization" or, as they term it, complementary armament in a speech before the Senate Foreign Relations Committee. He stated that, as a result of the program for perfecting the Allied Armed Forces, NATO will achieve general military superiority over the countries of the Warsaw Pact by the mid-eighties.

This modernization also includes the American plan for deploying some 600 medium-range missile weapons on the territories of West European allies. The United States demanded emphatically that this plan be adopted at the current NATO Council session in order to gain an advantage in nuclear weapons over the Soviet Union by bypassing the SALT II treaty and thus to be able to subsequently attempt to negotiate with the Warsaw Pact countries from a position of strength.

Much can be said for the fact that the American leadership at the same time cherished the hope of making U.S. territory safer to a certain degree from retaliatory blows by the Soviet Union, by means of so-called complementary armament of NATO in Western Europe, at the same time enhancing the nuclear arms danger for the European states--socialist and nonsocialist countries alike. One could read in a West German news magazine in this context, and I quote: "Because the deployment of medium-range nuclear missiles yields Washington the advantage of no longer being compelled to guarantee the defense of Europe with its strategic potential and to risk the destruction of its own country in the event of war [sentence as published]. In the future the United States will be able to restrict not only a conventional but also a nuclear conflict to Europe."

To calm its NATO allies, which sense where the deployment of additional nuclear weapons on their territories will lead to, Washington has set going the theory of conducting so-called "selective nuclear strikes against military objectives." It is quite understandable: Governments that dare to employ nuclear weapons would bring upon themselves the possibility of retaliatory strikes on their countries and peoples by doing so. It would hardly be possible under the conditions of the European theater of war to distinguish between military and nonmilitary objectives!

A Serious Disturbance of Equilibrium

Because strong sentiments against the medium-range nuclear missile exist among the peoples of Western Europe and also among SPD members in the FRG --more than the major part of these missiles, that is, 108 Pershing II missiles and 96 cruise missiles with a range of 2,500 km, are to be stationed on West German soil--the SPD leadership disguises its approval of this decision that abruptly changes the balance of forces with a demagogic position of apparent readiness to disarm.

NATO's so-called "complementary armament measures," Federal Chancellor Schmidt explained, could allegedly be limited all the more, the more it is possible to achieve an effective limitation of the continental strategic systems of East and West in the SALT III negotiations. In the ideal case--according to Helmut Schmidt--there would "possibly be no need for complementary armament on the Western side," that is, if the Soviet Union "were to dismantle many of the things that it has produced."

Comrade Gromyko, the USSR defense minister, openly unmasked the ambiguousness and dangerousness of these plans for a change in the military balance of forces as early as in his negotiations with the FRG Government and he did so again at the Berlin meeting of the foreign ministers of the Warsaw Pact. These decisions serve neither peace nor security in Europe and throughout the world.

The arms chiefs of the United States and the FRG have, as a matter of fact, not at all adopted the NATO decisions about new nuclear missiles in Western Europe with the objective of "making the introduction of such weapons superfluous in negotiations with the East," as was formulated by some SPD leaders. They do want to introduce these weapons and also to collect the appropriate profits. The U.S. defense secretary stated clearly enough at the session of the NATO Nuclear Planning Group that the U.S. Congress cannot be expected to appropriate hundreds of millions of dollars for a new weapons system if the West European states are unwilling to deploy the weapons on their territories.

Moreover, SALT II has not yet been ratified by the United States and the limitation of strategic offensive weapons envisaged there is not at all certain. Those FRG politicians who originally requested the ratification of SALT II as a prerequisite for the NATO missile decision have now railroaded the approval of the new medium-range missiles through the SPD Congress all of a sudden with the brilliant justification that this alone would make possible the ratification of the SALT II by the U.S. Senate!

The United States in turn regards these weapons as unusually important. It even attaches to the introduction of "continental strategic weapons," as President Carter's Security Adviser Brezezinski has said, the same historical importance as it did at one time to the setting up of the Strategic Bomber Command under President Truman and to the introduction of intercontinental missiles by President Kennedy.

And even now there is open jubilation in the FRG, particularly among the most aggressive forces that are pushing for an early revanche, that in the eighties wide areas of the USSR will be situated within the range of impact of strategic nuclear weapons "that are deployed on German soil."

The states and armies of the Warsaw Pact cannot view these dangerous developments in the NATO camp with indifference--all the more so because they would seriously disturb the strategic equilibrium in Europe, because the allegedly so dangerous Soviet medium-range missiles and bombers are nothing but the strategic equivalent to the so-called "forward-based" U.S. nuclear missile systems which were deployed along the borders of the USSR and Warsaw Pact countries and the mass of which has not been covered by SALT II.

It is well known even in the NATO countries that the new medium-range missiles and cruise missiles would bring not only a numerical but even more so a qualitative change in the strategic balance of forces because they possess new types of nuclear warheads and guiding mechanisms.

The Measures of Our Coalition

It was pointed out with all seriousness at the Warsaw meeting of the defense ministers: We can ignore neither the practical efforts of the West to achieve military technical superiority over the Warsaw Pact countries nor the recently hardening resistance of the international reaction to the positive transformations in the world.

When considering the multifaceted character of NATO's aggressive preparations, the measures that our defense coalition must adopt must be of a comprehensive nature and must comprise all spheres--the political, economic, ideological and particularly the military sphere.

In the political sphere an even greater activity, cohesion and unity of actions of the countries of the socialist community, and their uniform action against the forces hostile to peace and socialism are very important.

The consistent and concerted performance of foreign policy actions by our country, the relentless and unswerving implementation of the decisions of the Political Consultative Committee that are aimed at deepening political detente and at complementing it by military detente undoubtedly serve and will also continue to serve in the future the further consolidation of the international positions of the socialist community of states and the enhancement of its prestige and influence.

It is a point of honor for each country not to permit any military technical superiority of NATO in the military economic sphere. We cannot be passive observers to the steps undertaken by the NATO states for an escalation of war preparations, the further development of the scientific, technical and economic basis for the creation of most modern types of weapons and for equipping the armed forces with these weapons.

In the ideological sphere the foreground is now occupied by the task of preventing imperialist quarters from switching from the defensive onto which they were pushed by socialism's latest initiatives, to a counteroffensive. It is important to convincingly prove the peaceful character of socialist foreign policy, the forced nature of our measures in the defense field as well as our readiness for radical steps on the road to military detente under the condition of observing the principle of the equality and mutual security of both sides. It is no less important offensively and militantly to unmask Western speculations about the alleged danger that springs from the Warsaw Pact. It is necessary to more decisively unmask the pro-imperialist policy of the Chinese leadership, which strives to aggravate the confrontation between the states of NATO and the Warsaw Pact and to thwart military detente in Europe.

Vigilance and Fighting Strength at the Required Level

As far as the military field is concerned the initiatives submitted in Berlin are comprehensively evaluated, carefully grounded and concerted proposals which take into consideration the interests of the socialist community of states.

But they can only serve the overall cause of consolidating peace and of asserting military detente, can only operate as an incentive for reducing the military equilibrium to a lower level while reliably insuring the security of socialism if, at the same time, the vigilance, fighting strength and combat-readiness of the Warsaw Pact armies are maintained at the necessary level.

A fur ther reduction in the Armed Forces of the Warsaw Pact countries is only acceptable if it is carried out on the basis of mutuality and the good will of both sides as well with consideration for the fact that no superiority of the NATO pact can be permitted. This is also why there cannot be any unilateral reduction in other contingents of the combined armed forces. We do not consider appropriate new, unilateral initiatives of the Warsaw Pact states for freezing or cutting military expenditures, armaments or armed forces as long as the NATO states have not given a satisfactory answer to the Soviet initiatives, and are even stepping up the arms race.

We socialist military men are extraordinarily strongly interested in asserting military detente, in reducing the level of the military equilibrium.

This would not only open up for us additional possibilities for gratifying the material and cultural needs of our working people but would also facilitate our most legitimate task of securing peace and socialism.

The Profound Love for Peace of Our Citizens

But the imperialist arms race spells for us a greater danger of war and the need to undertake greater efforts in all fields of socialist national defense in order to safeguard socialism.

At its December session this week NATO sounded the bells for another round of the arms race. It is necessary to intensify the struggle against the implementation of these decisions as well as to ward off the attempts combined with it to basically change the military balance of forces. Hence the party members and working people should know: The demands leveled against the military security of our socialist gains are growing.

I regard as particularly important the stepping up of our efforts to educate people, particularly youth, in vigilance, patriotism and internationalism. The socialist competition on the 30th anniversary proved our people's strong roots in their socialist fatherland in all walks of our social life. The more than 13 million signatures under the declaration of intent for the Berlin peace initiative and against new nuclear missiles are impressive evidence of our citizens' profound love for peace.

I believe, nevertheless, that we must intensify our efforts to make our people aware of the entire scope of the danger that springs from the new round of the arms race and from the NATO war preparations and to even more unmask the fateful attitude of the SPD leadership.

May I therefore be permitted to take up a historical example from my own experience: More than 50 years ago, in the summer of 1928, there were vehement arguments in the then German Reich about building the "armored cruiser." The SPD leadership, which at first had also opposed it, under Reichschancellor Mueller joined the reactionary front of the backers of the project. Subsequent history is well known. The communist party's serious warning that with the construction of the armored cruiser a dangerous step toward preparing another war would be taken came true.

Eight years later the Nazis employed airplanes and warships against the Spanish Republic. Among them were those armored cruisers the construction of which should have been prevented by the referendum the KPD wanted in 1928, and with them the Nazis reduced Spanish cities to ruins and murdered women and children in such places as Guernica and Almeria. The consent of rightist social democratic leaders to the building of armored cruisers had helped to forge that tool of aggression that served the German militarists under Hitler to conquer half of Europe.

The course now embarked upon brings a great deal closer the danger that the Bundeswehr, highly armed under socialist defense ministers, will some day serve the FRG's military industrial complex for the hatching of military adventure.

Dear women and men comrades, in the Politburo report Comrade Honecker underscored that the year 1980 will level on us and our whole party great demands in both the domestic and foreign policy fields. We possess a good and solid basis for this not only among the working people, in the socialist enterprises and institutions but also among the members of the armed forces. There, too, the socialist competition in honor of the 30th anniversary of the GDR has turned into a mass movement. Under the slogan "Salute GDR 30--For Our Socialist Fatherland--Vigilant and Combat Ready," outstanding training results were achieved in the troop formations, units and institutions of the National People's Army and Border Troops of the GDR. Comrade Erich Honecker's visit to troops of the air forces-air defense forces was for all formations an incentive for even greater achievements in political education and combat training and in the conscientious accomplishment of all military tasks.

Educate Efficiently, Train Intensively

In the new training year that has just begun we are setting for ourselves the task of enhancing the efficiency of ideological education work in particular. Political work must serve the purpose of helping to enhance, through further shaping the leading role of the party in the armed forces, through a high concept of the world outlook, the standard and impact on the troops of political-ideological work, and the fighting strength and combat readiness of the staffs, troop formations and units and institutions. It must also help to consolidate their political-moral state, especially military discipline, as well as the socialist relations. Political work must be concentrated on a further intensification of political and military leadership, of education and training, the intensification of general security and, particularly, on a more intense combat training.

The relations between the working people and their soldiers, between the people and the army must be comprehensively strengthened. This also applies to the relations between the population of the border areas and the Border Troops, which bear great responsibility for stopping all sorts of provocations and attacks against the state border.

In civil defense the measures to perfect the protection of the population and national economy from the effects of means of mass destruction must be purposefully continued.

To Live Up to Responsibility

It is important in all spheres of our socialist national defense to educate conscious strugglers and to shape combat collectives who are ready at any time for employment in the spirit of socialist patriotism and proletarian internationalism and who are effectively using all the available means and possibilities to enhance the fighting strength and combat readiness.

In doing so we shall let ourselves be guided by the words in Comrade Honecker's report: "Good progress is always made if a businesslike analysis of the situation serves to ensure that right decisions are taken and the entire party collective and all working people are led in the struggle for the fulfillment of the forthcoming tasks." By using the great readiness for achievements of the army members and civilian employees, as Comrade Honecker said, "by taking them into our confidence, informing them of the situation and by deliberating and defining with them the ways of achieving a solution," we shall more and more effectively, and thus also economically, employ the material and financial resources appropriated for national defense to achieve a high fighting strength and for the benefit of the people.

I can assure the Central Committee here: The army members and civilian employees of the National People's Army, the Border Troops and of civil defense will also in the new year, the first of another decade of further upswing of the forces of socialism, democracy and peace in the world, do all they can to meet their personal responsibility for the protection of our people, the defense of our achievements and the compliance with our alliance obligations.

This will not be easy but we shall accomplish it--thanks to strong and loyal friends in the shape of our Soviet brothers in arms, thanks to the wise and far-sighted leadership by our party, its Central Committee and its general secretary.

PEOPLE'S CHAMBER COMMITTEE REPORTS ON EMPLOYMENT, GOOD MANAGEMENT

LD231042 East Berlin Voice of the GDR Domestic Service in German 0700 GMT 23 Dec 79 LD

[Text] The People's Chamber Labor and Social Policy Committee is to pay special attention next year to the more effective use of the social working faculties. Chairman Dr Fritz Roesel told our newsdesk that deputies will be attached to selected branches of industry to more effectively prevent man-hour losses.

In 1979 the people's representatives looked into problems of socialist rationalization and fluctuations in eight enterprises of the republic. During this investigation the humanistic character of rationalization in socialism, which correspond to the workers' interests but which nevertheless calls at the same time for their collaboration, had been confirmed in every instance. Experience showed that good management work leads to greater enjoyment in work and to initiatives. This is true also of changes of workplace, which occur too often. Once production is underway, and providing a good atmosphere prevails in enterprises and work is stimulated through corresponding material recompensation, there are fewer attempts at leaving one's job. Another objective is to instill enthusiasm in young skilled workers.

On behalf of the committee, Dr Roesel noted with satisfaction that 1979, as far as social policy was concerned, was another successful year. The system of supplies for employees has visibly improved. Industrial accidents have once again come down by approximately 3 percent.

BRIEFS

TRANSFORMER STATIONS FOR SYRIA--"The GDR will construct 6 Turnkey 230 kilovolt transformer stations in the Syrian Arab Republic. A corresponding agreement has been signed in Damascus between the Syrian state energy supply enterprises and the GDR's Electrotechnology Export-Import External Trade Enterprise." The agreement is part of the accords laid down at the fourth meeting of the Joint GDR-Syrian Arab Republic Economic Commission in November in Damascus. [East Berlin NEUES DEUTSCHLAND in German 19 Dec 79 p 2 AU]

JABLONSKI ADDRESSES KRAKOW PARTY CONFERENCE 12 DECEMBER

AU2111130 Warsaw TRYBUNA LUDU in Polish 13 Dec 79 pp 4-5 AU

[Speech by State Council Chairman Henryk Jablonski at the 12 December report-back and election conference of the PZPR organization in Krakow]

[Text] Esteemed comrades, I would like to take this opportunity to express my profound pleasure at being able to participate in your conference.

Although I have rather frequent contacts with Krakow and although I take constant interest in whatever takes place in this city, I still have to study the problems of Krakow and its region and to verify and add to my knowledge of them. That is because without that knowledge my move for this city--I try to spread that love over our entire Polish society--would relate only to Krakow's fine past and would ignore the important fact that Krakow is now one of the most important centers of the national economy and culture, a region of the people who perform effectively and a region in which the party organization engages in effective activities, knows its tasks and is able to implement them.

Those were my primary thoughts when I studied your accountability materials and listened to today's discussion. There is no doubt that, as the Krakow committee's report correctly states, "The selfless and honest efforts and production and social militancy of the people in towns and rural areas rallied round the party and its program have determined the further consolidation of our region within the national economy." Despite all the present difficulties, precisely that constitutes good prospects for the future and compels us to trust that the Krakow organization will exploit all its available possibilities. Comrade, my warm thanks for that great injection of optimism.

It would be wrong of me to take a stand on every problem brought up in the discussion because the worst thing you can do is to pretend that you are a better expert in matters in which others are still better, but it is another thing to try to understand those matters in order to help the real experts. I think that you have no doubts about that. Let me, therefore, make a few observations connected with the problems brought up by you.

Comrades, whatever you said showed that you want to creatively continue our common cause and that you are profoundly concerned to create conditions allowing the preservation of the fundamental principle that has determined the line of our party in the seventies in keeping with the sixth congress resolutions, that is, the primacy of social goals, despite the difficulties of which Comrade Kozub spoke in the discussion.

I do not have to recall those social goals in this company. They are listed in the congress guidelines and you know them. However, we can never too often repeat that the implementation of those goals is not and will not be easy. A proverb says that "You fill your stomach with your hands." I would expand that proverb by saying that your hands have to be effectively guided by your head, that is, by well planned, organized and productive work. Congress guidelines by themselves will never produce new apartments, improve living and working conditions, develop education and culture, promote the development of science, improve market supplies and so on. We have to make common efforts to achieve all that. By common efforts I mean the efforts both of the authorities at all levels and all the working people, regardless of their individual jobs in the production system.

However, the fact is that all that means the complete agreement with the main idea of the congress guidelines which will be a basis for congress resolutions and an action directive for all of us after they have been enriched by the present precongress discussion. That is how you understand the entire problem, comrades. That is what your statements during the discussion have indicated.

We have traversed a large part of the road mapped out by the sixth and seventh party congresses. Our people have made great efforts, but we should bear in mind that every new stage produces new problems and tasks side by side with new achievements. We must implement our tasks under changing external and internal conditions, which are compelling us to change our strategy and tactics so that our work produces the best possible results.

We can easily illustrate that with the help of an example with which we all are familiar--the predominant task of the first years of the seventies, which was to create jobs for millions and millions of young people.

That very task made it imperative to invest in order to create new jobs. At the same time, we had to modernize our industry and agriculture because it was impossible to maintain the state of affairs that in some sectors amounted to sheer backwardness.

Here and there people say that only one of those two tasks should have been solved at a time and not the two together. It is easy to say that, but a closer examination of such a possibility makes it clear that no would have accepted the social and economic results of such a policy.

The policy of not building new plants and of not expanding wherever possible, but of modernizing old plants would have been tantamount to tolerating a large army of unemployed, which is absolutely against the basic principles of our system.

The policy of not modernizing old plants and, at the same time, of building new plants to provide the necessary jobs would have meant that we would have been content with the fact that old plants would be of low productivity and that the poor working and earning conditions would continue in them. Could we have come to terms with that? Could the workers' class have come to terms with that? Certainly not.

That is why we had to invest and to create new jobs, while not forgetting the other investment task about which you, comrades, spoke in your accountability report.

We have solved the great problem of new jobs and unemployment--that dreadful specter haunting the countries that are much richer than we and that have been accumulating their riches over entire centuries--does not exist in our country. However, we cannot invest at such a great rate ad infinitum, especially since general conditions have greatly deteriorated. Our country would never be able to sustain that rate, except at the cost of our living standards. That is why the party decided to carry out an economic maneuver, to which the fifth Central Committee plenum was especially devoted.

It was an indispensable and necessary maneuver because of domestic considerations and the extremely rapidly changing external conditions, which were given various names: Crisis of energy, of raw materials and of currency--depending on what was most important for a given country.

However, from the perspective of a few years we can say that the maneuver, which had been correctly planned, has not met all the expectations because not all the people responsible for investments understood the meaning of the maneuver. The result of that was that the maneuver has not been properly intensified and implemented. [paragraph continues]

We should bear in mind that even now there are quite a few economic officials who formally accept the maneuver, but who actually want to solve their difficulties with the help of new investments and new, large funds.

That method seems to be easy insofar as individual sectors of the economy are concerned. But nationwide it leads to disorganization, all the more so since we cannot complain of a lack of the negative features associated with a rapid, full employment, which has to be controlled with considerable efforts because it is necessary to conserve manpower for the sectors that, in accordance with the principle of the maneuver, must be developed. In addition, we must make intensive efforts to achieve a maximum equilibrium of the entire economy through insuring proper material supplies and through speedily overcoming our energy and transportation difficulties and we must amass large funds to finance modernization projects, the importance of which was stressed by Comrade Pustowka.

Esteemed comrades, I would like you to understand me correctly: In no case do we want to wholly halt the investments in the sphere of production. That would be nonsensical. What we want to do is to maintain the greatest investment moderation and the most rational and purposeful use of investments. I will come back to those matters, but now I would like to discuss Comrade Sendor's speech and to dwell on a problem that the congress guidelines particularly stress: the strengthening of the family as the basic cell of society and as the foundation of the people's life and development.

The problem's range is enormous and involves living conditions, supplies, food, health, education, training, services, recreation and so on.

Can all that do without investments? Of course not! It is enough to mention the housing question, the services base or the development of the food industry, the role and difficulties of which have been stressed by Comrade Stopa-Lenczewska. But there is more to it than just investments and, even, funds, although the latter were also necessary. There is also the need for effective and well coordinated activities of many sectors of the state's general and economic administration, of the state and of social organizations. All those activities must be guided in keeping with the program we will include in the eighth congress resolutions and with the help of all the forces that can be mobilized and used for that purpose.

What the congress guidelines have to say on that subject and what will result from the present discussion will form a basis for implementing the postulates in question, including the postulates presented by the organizations present at this conference, which hail from the Lenin Metallurgical Combine, the aluminum plant, construction enterprises and from administration.

What I have now said is related to another group of problems, which are important and which we have always taken into account from the beginning of our people's state, but which now require the particular attention of the party and all sectors of state authority. What we want is further intensive efforts to counter the phenomena that deny the principles of social justice, which is the foundation of our system.

Someone could say that it is nothing new and that we have observed those principles throughout the past 35 years. That is true! The congress guidelines contain in the first part much convincing material showing that we have achieved a great deal in that regard. No doubt each of us could also attest to that with his own observations from the more remote past and from recent years. However, aside from the important achievements in promoting social justice, the seventies have created a new situation, one that has aggravated the dangers that were there before. That aggravation has been caused by the great expansion of production forces, resulting in the establishment of new centers of economic life, shifts of the population, profound changes in the structure of employment and so on. [paragraph continues]

All that has been accompanied by a lack of resources to fully meet our ever growing needs. We all know that from our own numerous daily difficulties.

Against the background of that, various social ills are particularly painful. Although they do not determine the image of our life, they are painful because they harm honest people and offend against their sense of justice. Those ills include favoritism, scheming, time-serving, cunning and so on. They thrive on the weaknesses of bad organization of work, on the defects of personnel policy, on bribery, on the abuse of official positions--just to mention the most glaring weaknesses.

It is therefore no small task to draw the attention of the entire party, the authorities at all levels, social control bodies and trade unions to the task of unmasking all those ills and irregularities. That is how I have understood Comrade Mroczek's statement in that connection.

It has always been necessary to combat those ills, but at a time when we are up against great difficulties and when some people want to take advantage of them at the cost of those who are combating those difficulties, we must be especially solicitous for a just distribution of our goods, for the consistent observance of socialist principles of morality, for respect for the social interests, for continually creating the conditions that insure an equal start for everyone and for continually improving living and working conditions.

We often like to stress the importance of improvements in living and working conditions, but, as a rule, we expect others to do that.... We should realize, however, that those improvements involve an entire group of problems: nationwide problems, local problems about which Comrade Stachura spoke so eloquently, and even problems in housing settlements and plants. That is why they must be solved at various levels. For some of them state authorities will be responsible, for others local authorities will be responsible and for still others we all will be responsible. It is enough to point to problems such as our environment, clean air and water, safety and hygiene of work and people-to-people relations.

It is obvious that many of those problems are closely related to economic problems such as water, which is a valuable raw material for industry and farming and not only an article for consumption or a means of reacreation.

That is why the "Vistula" plan is economically and socially important as stressed by today's discussion.

All those social problems are related as much to the great and internally cohesive problem of education, culture and science as they are related to the economy.

Education, culture and science are of great inner value as they help man to develop, and man is the supreme good of our system. A member of a developed socialist society must be an enlightened individual and must be conscious of his place in his society and in the world. He must be ambitious and creative and yet he must be able to combine his personal ambitions with the interests of the community. He must be rich in spirit and must be hungry for knowledge and for experiences supplied by arts. He must be able to actively participate in culture. Precisely because that is the role of education, culture and science, I believe that we will be able to be much more optimistic about these subjects when implementing the eighth congress resolutions.

At the same time, there is probably no one in this country who can doubt that the development of the aforementioned spheres of the nation's life is indirectly important for the economy. As you can see, the impact of education, culture and science is comprehensive....

It was no accident that the guidelines stress that the eighties should produce a further growth of science as one of the decisive elements of the quality changes in the country's production potential, in social relations and society's consciousness.

Nor was it an accident that we have drawn attention to the need for ever increasing standards of general and vocational education. The guidelines stress the need to create increasingly better conditions for the development of culture. It is true that we have done much in that regard, but, as Comrade Trela said, there is still much to do. Those matters are of particular importance in Krakow, as Comrade Barszcz rightly remarked and Comrade Ney illustrated with examples. That is because what takes place in Krakow in science and culture is of nationwide import.

Esteemed comrades, we want the eighth congress to adopt a program for further social progress and for overcoming many obstacles along the path outlined by the sixth party congress. Since every aspect of our program requires funds, we need an effective and productive economy.

What are the conditions for the development of economy? We must improve the planning system in order to fully harmonize the workings of our economy. We have in mind the harmony between individual branches of the economy and the harmony within the branches themselves. That was the case with chemistry, for example, to which the Politburo devoted a session. In addition, we must consistently implement the principles of our economic maneuver, paying special attention to a gradual elimination of the weak points of our economy, ones that hinder the complete exploitation of our production potential. In addition, we must constantly improve the methods of management, implement scientific achievements, promote techincal and organizational rationalization and increase productivity in order to increase production and make it cheaper and to improve its quality.

Comrades, you have implemented many, very many, of those tasks. For example, you have increased your production in the past 2 years by increasing productivity, you have implemented the principle that modernization and rationalization are priority tasks, you have gradually improved the performance of construction and so on. I want to express my complete praise for that.

However, you yourselves know, because the accountability report mentions it and Comrade Kramkowski admitted it, there are still production reserves to be tapped even in those spheres in which you have made great achievements.

All the same, we all know that our economy is encountering great difficulties, including those resulting from the situation of the world, such as the rising costs of some foreign raw materials and even difficulties in buying them, as well as the rising costs of liquid fuels which we must import. Allow me to dwell on those problems.

We must expand our domestic base of raw materials and promote import-replacement production, despite the great difficulties connected with such a task. Many Krakow plants have been doing that in the recent months and are proud of it. However, not all difficulties can be solved in that way and, consequently, we need large funds to pay for imports. How to obtain those funds? There is only one way: to intensify our exports and to win newer and newer markets. That is not easy, but we must do it; not easy because our partners in the East and in the West will not buy just anything. Another thing: CEMA will not supply us with everything, at least not everything in the quantities we need, although it is correct that we seek economic integration of the countries of our camp. After all, everyone knows that without that cooperation many sectors of our economy would be in a bad way. But we also know that our CEMA friends are also having difficulties and that their potentials are limited. The comrades from the Lenin Metallurgical Combine could give us some eloquent examples of that. As you see, increasing our exports is vitally important for us.

But it is not enough to think of the volume of exports: We must also think of their greatest possible profitability. That is why we must produce cheaply so we can get into the foreign markets and make a profit. [paragraph continues]

And we will not produce cheaply if we fail to spread the habit of conserving materials throughout the whole production process, to constantly develop and implement our technological ideas, to improve the organization and productivity of work and to learn to reward honest and reliable workers and not parasites.

We must also produce the goods that are consistent with the latest requirements of design and appearance. The other condition for our being able to stay in the foreign markets is high quality for our products.

I can state with pleasure that in many Krakow plants the index of foreign customers' complaints about the quality of products is going down. However, we must continue to ask ourselves whether we have reached the limit of our possibilities. The problem is much more extensive than we think and concerns very many plants throughout the country.

I have put exports in the first place, but the issue of quality is just as important for the domestic market, investments and services.

Comrades, we have created an enormous production potential which requires reinforcing and modernizing here and there, but which is greater than we could imagine at the beginning of the seventies. Our task is to use it properly.

We have the potential to do that because we not only have a material base and an increasingly better scientific, research and development base, but also greatly improved standards of general and vocational education, as Comrade Marski said today. That potential is rooted in the great source of our qualifications and skills. That is why we can promote the rationalization movement, use increasingly better equipment and improve organization.

The rational management of manpower is enormously important. It is a nationwide, regional and internal plant issue. In the case of plants the role of foremen is particularly important, but it is still not fully appreciated.

In the coming 5-year period we will have at our disposal at the most 400,000-500,000 new workers, which will be much less than in this 5-year period. That is why we must not be wasteful in using that manpower, especially in view of the fact that we must expand the network of services and to provide workers for energy, transportation, food production, repair services and, what is very important, for technical services for farming.

Comrades Barcikowski and Barszcz spoke at length about agriculture, and rightly so. Comrades Wojcik and Adamczyk did the same. All I can say now is that the arable lands we have should be enough to provide ample and sufficient food for our people. What we have to do and what we can do is to increase the production of farm produce and to improve the processing, storage and refrigation of that produce. That is necessary because we waste enormous amounts of food through negligence and lack of ability as well as through a lack of the necessary technical means.

There is still another condition for the success of all our plans: an atmosphere of peace and detente to make international cooperation possible. Our foreign policy and that of the entire socialist camp follows precisely that line. I will not discuss it in detail because all comrades know what our policy is. You know that it is a continuous and unchangeable policy, one that always opposes all the activities by those who still dream of a return to the cold war and who continue to fan the moods of border revision. That is why we are making efforts to prevent the moves that threaten a new arms race, which would lay its heavy burden on the shoulders of all nations involved in it. I do not think it necessary to convince any honest Pole of the correctness of our policy and to prove all that to him.

Dear comrades, we have many troubles and difficulties, but we have also an effective potential for overcoming them.

You, party members, have the historic duty to effect such changes in the mentality and attitudes of our citizens as to enable us to call the coming 5-year period a period of quality, modernity and effectiveness. To do that we must continue to intensify all our people's ideological-moral unity. After all, the mobilization of the people around their leading force--the workers class--is the basic condition for their success.

We have entered a period rife with difficulties because the entire world is beset by them. In addition, we have our own domestic difficulties.

But difficulties can be overcome. We have much proof of that, including that supplied by Krakow Voivodship, which has proven that wise thinking and effective performance do away with difficulties. We should bear in mind, however, that, as a rule, this is so wherever party bodies are efficient and party members influence all aspects of the life of plants and institutions and their work forces, youth organizations and women's organizations and wherever they are able to stimulate workers self-government groups and trade unions.

It would be a mistake to think, however, that we can achieve everything by including only the issues of production in our activities.

The intensification of the process of people's unity can be achieved only in conjunction with efforts to extend society's political and economic knowledge and to fight for its moral health.

That is why increasing our own knowledge--the knowledge of party members--is so important because we must possess knowledge before we can influence others. The slogan "The party increases through action" which was so popular at one time, has lost nothing of its validity. That is because the main front of the struggle for the hearts and minds of nonparty citizens runs through day-to-day life, and under those conditions words are confronted with deeds. It is by our conduct that people appraise every party member and the party as a whole--the credibility of its plans and its political line.

That is why we are pleased with what Comrade Gaciarz said, namely, that over 80 percent of the party members among the plant work forces studied by the party control commission are outstanding in every respect. We should bear in mind, however, that that evaluation concerned all party members and that we have to resolutely combat those negative features that the control commission has listed.

Development of Democracy Increases Civic Responsibility

A task of nationwide importance is to strengthen the role of all party echelons, including party groups. Each party member should influence others by his words and deeds.

At the same time, we must seek to stimulate all our people through further consistently developing socialist democracy. Let us bear in mind that great ideas fulfill their historical mission only if they become part and parcel of daily reality and of our normal, daily lives. That is why it is important to continue to extend the working people's participation in government and economic management so that they really know that they can help solve the problems of their communities and thus of the entire country and that they bear responsibility for that. Comrade Pospieszynski has given us excellent examples of that from Podgorze.

All that must become a natural habit of every citizen and influence his attitudes. It must become a source of the motivation for his conduct and shape his morality.

This is especially important in the case of young people. Their participation in the development of socialist democracy is for them a great school of citizenship and patriotism and enables them to contribute their own great values to the functioning of the forms and institutions of democracy. Under such conditions of truly stimulating young people it will be easier to solve the ideological and educational problems discussed by Comrade Nykiel.

Dear comrades, under the leadership of the party our people have scored historic achievements such as were never before scored in our millenium. The party continues to lead our people along the only correct path. And we are the party--each of us and all of us together.

When studying your report-back materials and listening to your discussion I was profoundly and certainly correctly convinced that the Krakow communists are of that frame of mind that they know their place among the people, that they know what they can demand from those whom they trust and from themselves.

Comrade Barcikowski has said today that the Krakow Party Organization "is able to implement great tasks." I am also deeply convinced of that that is why we can look forward to the future with optimism and calm, which means that we can more effectively overcome whatever checks our progress and hinders the implementation of our aspirations.

Comrades, once again I would like to thank you cordially for all that.

JAROSZEWICZ ADDRESSES SEJM SESSION 21 DECEMBER

LD221024 Warsaw Domestic Service in Polish 1800 GMT 21 Dec 79 LD

[Speech by Piotr Jaroszewicz, chairman of the Council of Ministers, at Sejm session on 21 December--recorded]

[Text] Citizen speaker, may it please the house: The government has been attentively following how the deputies' debate has been progressing on the draft plan and budget for 1980. This year will round off the current 5-year period and the 1970 10-year period. The results of this year will determine the starting base for the implementation of the program which the eighth party congress will soon be examining. The importance that next year's work will have has put a responsibility on the government to draw up adequately the draft plan and budget, to define correctly their fundamental aims, tasks and proportions and to accordingly allocate the means needed for the successful implementation of next year's tasks. In this we have taken into account the aggregate of the fundamental factors which will exert an influence on the fulfillment of next year's tasks.

The year which is about to end has been an exceptionally difficult one for our economy. Contributing to this have been many well-known causes which in aggregate, have given rise to considerable losses and delays in production processes. We can all remember the severe and protracted dislocations in transport and power generation and the considerable production irregularities resulting from this. The dimensions of the losses which arose from the complications we are familiar with in all the major sectors of the economy were so great that despite the energetic and various undertakings made throughout the year many of this year's tasks will not be fulfilled.

We have sustained the severest losses in agriculture as a result of the low yield from the majority of cultivated plants. In 1979 we were about 5 million tons of grain, 500,000 tons of oil-bearing plants, and close to 2.5 million tons of sugar beet short of fulfilling the plan. Deficiencies in many raw and other materials are very bad for the implementation of the tasks of and output in industry.

In foreign trade, despite the plan not being completely fulfilled, we must evaluate positively the results achieved in exports, particularly to the other payments area countries. Thanks to this there will be a further improvement in the balance of trade turnover with this area. Investment outlay for 1979 is Z57 billion below that of 1978. This has meant that the ratio of investment will be considerably lower in the national income this year than in 1978. We spared no effort to insure in this difficult situation that the basic social aims were achieved. This is precisely how the plan and the budget for the current year were orientated. We have achieved the outlined social aims even though the path was not an easy one. The elimination or reduction of the difficulties cropping up along this path has been and remains the object of our greatest concern.

We have said on more than one occasion that in the past few years we have not managed to continue the stable prices policy which was conducted in the first 5-year period of this decade. The main reasons for this include the growing subsidies from the national income to the foodstuff economy which in 1979 come to more than one quarter of all budgetary expenditure; the rapid increase in the prices for raw and other materials on the world markets; the several hundred percent increase in the purchase prices of agricultural products; the increase in the costs for obtaining home-produced raw materials and fuels. The increase (?caused by these) in production costs had to be reflected in an increase in the price of some goods and services. There was also a movement in the prices of vegetables and fruit which is shaped to a considerable extent under the influence of supply and demand. Decisions as regards price rises introduced centrally are always difficult. In taking them we took into account not only economic aspects but also social aspects. However, half the prices are fixed by centralized units. Unfortunately, some of them carried out unjustified price rises. We have been countering and will continue to counter such practices energetically.

Despite the movement in prices we have achieved further progress in increasing the real incomes of the population. In 1979 real incomes per capita will have increased by 2 percent and at the same time average real earnings will have also increased by about 2 percent, in other words at the level of the upper limit set out in the plan. This is a good result considering what a difficult year we have had. Thanks to the tremendous effort of the whole economy we are carrying out an improvement in the standard of living. The increment in new dwellings, despite the incomplete fulfilment of the plan, will come to about 320,000 dwellings. This will be the greatest annual increment ever to have been achieved by us. Thanks to this the housing conditions of about 1 million citizens will have been fundamentally improved. The number of beds in hospitals has also increased--not so much in day care centers and kindergartens and at social assistance institutions--and also the number of holiday places and places in halls of residence.

While there was an overall increase in industrial output of 2.6 percent in the current year, output for the home market has gone up 4 percent. The total supplies of home-produced and imported goods for the home market will have increased by 6.5 percent, which includes an increase of more than 8 percent as regards foodstuffs and more than 5 percent in nonfoodstuff goods.

But the supply of marketable goods is not keeping up with increased incomes of the population and this creates the market difficulties the public knows so well. Some industries show a rate of growth which is higher than average. The hard coal-mining industry will meet its entire year's target and will give Poland, for the first time ever, more than 200 million tons of coal; for this our miners deserve approbation and gratitude.

Production plans in several other industries will also be met. The power and transport industries improved their performance in the fourth quarter, but we are operating in internal and external conditions which are much more difficult than the plan anticipated for 1979. This is why we have been concentrating our resources and reserves on two main provisions of the plan, and especially on the issue of feeding our country. This is why it was necessary to take, in the course of the year, urgent measures, which some enterprises had found very painful, to limit resources, provisions and investment. We did all we could to alleviate the situation, but we could not always prevent losses in and slowing down of production. We simply could not avoid it.

In 1979 the conditions in which our working class, farmers and overwhelming majority of working people had to work were not easy; they displayed perseverance, hard work, initiated many brave, useful and interesting solutions and improvements, they contributed their dedicated toil, wherever technology and organization failed, to add to our national wealth.

In all, despite misfortunes and a failure to meet targets in some sectors, results achieved in 1979 must be judged to be positive; our country has taken another step forward in its development. I think that this view is shared by millions of working, everyone who spared no effort to give the best account of themselves in these difficult conditions. The difficulties encountered every day did not prevent them from judging honestly this year's achievements.

But we have people who can only see difficulties and failures, those in which we did not succeed, and who deliberately prey on our difficulties by spreading pessimism, and who slander our country abroad. These are the kind of people who very often are not too keen to work themselves but who nevertheless live well and without care. We listen to the voices of criticism carefully, no matter where it is made from. We draw conclusions from the criticism which has its sources in the concern for the development of socialist Poland. We pay attention to all constructive suggestions. But we must reject the criticism from those who, in the name of professed concern for Poland's welfare, in reality undermine the principles of our policies and provide fodder for slandering Poland by antisocialist centers.

In the course of the implementation of the far from easy tasks of recent years, new, most valuable attributes have been educated from managerial cadres such as activeness, resourcefulness, dedication in the effort to implement plans in difficult conditions, a persistent search for reserves and opportunities for the full completion of tasks; Deputy Malicki, director of the Stalowa Wola Works mentioned this, as did other citizen deputies. All in all the ability of our economy and our cadres to work in more difficult more complex conditions is growing. We shall reinforce this attribute because it is of vital importance for our future plans for Poland's socioeconomic development.

But there are other attitudes, unfortunately, attitudes which I would describe as old-fashioned, obsolete, which are marked by incompetence, helplessness, discontent, a failure to appreciate fully factors affecting productivity and efficient management, an insistence on following one's own way.

We can see the phenomena of loosening of discipline, squandering of resources, disregard for the rigid demands of cost accounting and budget discipline. These attitudes have resulted in a slow and inadequate progress in such important spheres as the rationalization of employment, improvement in the organization and productivity of labor, savings in fuels and energy, and raw and other materials, improvement in quality of goods and other factors affecting the process of lowering one's own costs. These shortcomings of a subjective nature are linked with poor quality of effort on all levels from top to bottom; they add to our difficulties of an objective nature and we have drawn conclusions from this.

We shall improve our effort and wherever the need arises, we shall carry out personnel changes, making sure that they are just and effective.

May it please the house: Our present situation and accumulated experience require us to take greater care when establishing our aims and tasks in our plan for next year, and although the rate of growth will slow down somewhat, the draft plan provides for Poland's further, ambitious developments.

The rate of development provided for by the plan, in the light of the development forecasts of other countries which are sometimes considerably more affluent than Poland, is considerable. The draft plan for 1980 reflects above all the progress which has been made in accordance with the present conditions, in the implementation of social aims. This is borne out by the increase in the consumption ratio in the national income from 74.3 percent to 76.5 percent and also by a further reduction in the investment ratio in the national income to 17-18 percent.

The implementation of the plan should insure that we have full employment for new school-leavers and that we achieve the necessary changes in the structure and distribution of employment and should insure a further increase in the real incomes of the population by an average of 1 to 1.3 percent per capita; the construction of about 346,000 dwellings, that is considerably more than in 1979; the handing over for use of 13,000 places in hospitals and hospital extensions and an increase in the number of people employed in the health service and social welfare by more than 14,000; the further development of education, science and culture which is expressed by an increase in the budgetary spending for these purposes of Z10 billion as against 1979.

Although in the coming year we shall still be unable to eliminate all the shortcomings on the internal market, nevertheless the supply of many basic articles will be improved. We envisage that the demand for most foodstuff articles will be satisfied better than at present. The production of articles for children and young people will be given priority treatment. The improvement in supplies for the internal market will also be influenced by growing deliveries from small-scale industry and the craft industries for the development of which we have created favorable conditions. We shall consistently improve the functioning of the internal trade network and public catering, we shall increase the powers of shop managers and at the same time their responsibility for improving the way customers are served. We are countering more effectively irregularities and excesses that crop up--selling from under the counter, leaking sought-after goods to speculators, creating groups of privileged buyers. In combating these demoralizing and socially harmful phenomena we are counting not only on the apparatus of the administration but also on bodies of state control and on the participation of social control.

Investment is a sphere which is of decisive importance for the rate at which the country develops and for the living conditions of the nation over a longer period of time, as was stated during the discussions. The draft plan provides for an investment outlay in the whole economy to the tune of Z600 billion. This is Z53 billion less than in 1979. We are insuring that priority treatment is given to the power industry, transport and mining. We are also increasing outlays for housing construction and the municipal economy. Investments in the protection of health and in the social and cultural sphere will be treated in the same manner. Limited investment resources must be exploited in the most suitable and effective manner. This is not an easy matter. We attach great importance to achieving progress in the implementation of investment processes and this requires that a reduction in costs is guaranteed, that investment activity is carried out in a disciplined manner, that investment projects are handed over for use on time, and that construction work is more efficient and of a higher quality.

We have drawn to the attention of all voivodes. ministries and enterprises which are carrying out housing construction that in the country's present economic stituation exceeding standard costs in the construction of dwellings cannot be tolerated. Within the framework of those great resources which we allocate for housing construction, and by simultaneously designing and building housing without wasting anything, it is possible to satisfy the needs of citizens on a considerably broader scale. We realize that waiting for new houses, particularly for young families, is a very difficult and unpleasant matter. This is why we are doing, and will continue to do everything to insure that the tasks facing the new housing construction and capital overhaul industries are fulfilled completely.

We shall have an opportunity to do this in 1980. On this issue we count on the help from the whole economy and also on the growing part to be played in construction by people who need housing.

May it please the house: Trying to balance the plan for 1980 which you have been considering today we had to take into account realistic possibilities of obtaining food, fuels, raw and other materials for production processes, our state's payments situation and other factors which affect the realism of our intentions.

In comparison with 1979 we have made provisions for a moderate growth in industrial output while giving preference to exports, to a considerable increase in agricultural production as compared with this year's poor results, and also to further progress in provision of services. It is of vital importance that we achieve further, deeper transformations in the structure of industrial output, better adaptation of ranges of goods to the needs of our market and exports, and a considerable improvement in their quality. In addition, the program of feeding our people remains to be a priority task; to this end we shall develop the food sector and in particular intensify the effort of our farming. The task of increasing the production of grain and feed, which was mentioned here today during your debate, for the needs of stockbreeding in the whole of agriculture, constitutes a basic precondition for the implementation of the program for feeding our people and Poland's development.

We have to limit the excessive import of grain and feed on which we at present spend about $1.3 billion annually and which has a marked slowing down effect on the development of our whole economy. Local authorities should take daily interest in activities which help to intensify the production from every hectare of cultivated land, to make increasingly b better use of permanent means of farm production. These means are added to every year but it is a worrying fact that about 700,000 owners of private farms have given up raising pigs and cattle and more than 1.2 million have no cattle at all. It is true that in most cases these are farmers who have other, considerable, nonfarming sources of income, but this is one more reason for those farms to take full advantage of the land they have.

The supreme task of our agriculture must be to increase constantly its marketable output, to satisfy the increasing demand for farm raw materials and products. This will require improvements in the structure of our agriculture through increased acreage and private farm specialization [words indistinct]. The improved structure of our agriculture should help private and collective farmers to take over areas belonging to the land fund. Unfortunately, farms continue to be broken up in many regions of Poland, and the land fund, which stands at 800,000 hectares, is not being made use of properly. Efforts our farmers are making to increase the deliveries of farm produce are being systematically supported by our economic and technical decisions which make sure that farm production is profitable.

On 1 January 1980 we shall introduce at the cost of Zl.5 billion a system of bonuses for savings in fodder gained by those farmers who sell livestock.

The bonus will amount to Z3 per 1 kilogram of enriched feed which the farmer manages not to collect from state resources within the framework of locally fixed allocations. This decision is intended to encourage our farmers to take better and more thrifty use of their own fodders and to base stockbreeding on those fodders.

At the same time on 15 February 1980 we shall increase the prices paid in procurement of milk by, on the average, 60 groszy per litre, and this will increase the revenue of our whole agriculture by Z6 billion. This should encourage all farm producers to increase or resume the raising of cattle, and especially cows. Both these important moves constitute another expression of the consistent implementation of the farm policy pursued by the PZPR and the United Peasant Party. They have been made out of concern for providing greater incomes for farm producers and for the diet of our community. They are therefore in the interest of our working people in towns and countryside and should serve to consolidate further the worker-peasant alliance.

Citizen deputies: We shall be able to satisfy better the freight carriage requirements in our transport industry, and especially the regularity at which coal is carried away from Silesia. We have embarked on the moderization of another arterial railroad which links Silesia with our ports. We also count on the existing rail network being relieved by the steel-sulfur line along which the first, Polish network's heaviest, trains with Krivoy Rog ore from the Soviet Union have already run to Katowice Steelworks, without having to resort to the very expensive and effort-consuming border transloading operation.

The amount of goods carried by inland navigation will increase by 2 million tons. We are also increasing the repair services for the rolling stock and suppliers of that stock. All these factors, taken together, should help to alleviate the stresses in our transport. Power industry workers have been making every effort to increase its distribution potential, to increase our powerplants' efficiency per unit and to improve its investment effort.

Citizen deputies: A decisive role in the achievement of next year's targets will be played by the implementation of our foreign trade tasks. We attach special importance to the further consolidation of our cooperation with the Soviet Union and other CEMA countries.

Soviet deliveries of essential fuels, raw and other materials have enabled us to reduce our economy's dependence on the world markets' changeable conditions, and to base it on stable foundations. Among the most difficult problems which will have to be tackled by our foreign trade next year will be those of our trade with the capitalist countries. Our draft plan provides for a considerable increase in exports and further rationalization of imports. The job of balancing our trade with those countries is an important and inevitable task which must be tackled by the plan for 1980. If we are to achieve the required growth in exports we must secure the priorities of export production; its proportion to the whole industrial output should increase to 15.6 percent.

Our revenues from exports will decide the size of our imports and repayments of foreign loans obtained for the development and modernization of our industry and whole economy and recently, to an increasing extent, for feeding our country. As before, we shall be able to repay our foreign loans reliably and on time. We have outlined considerable tasks in the domain of improving the effectiveness of our foreign trade; here we are banking on increasingly better effort by our foreign trade. We have made quite a bit of progress in adapting our economy to the increasingly more difficult conditions in foreign trade. But we must always remember that the issue here is not a one-for-all effort but a permanent proexport orientation of our economy; this will decide its future development.

It is no exaggeration to say that to supply our country with fuels, food, power, industrial and farm raw materials is in effect today and will remain in future the limit of our production and development of our economy. To meet our needs in these spheres we have set aside enormous resources for the development of our own native raw material and energy base. It is also to this end that we are taking part in fuel, raw material and energy projects on Soviet territory. We are also trying to buy raw and other production materials from many capitalist and Third World countries. Every step forward in the management of materials, every achievement over and above plan in this respect, will make it easier to meet next year's targets.

Our task of cutting costs of materials in industry and contruction has been set at about Z23 billion. This is a realistic target but it will depend on all ministries and enterprises embarking on energetic effort to implement it fully. The plan provides that all the enterprises which will succeed in 1980 in saving materials, in making better use of recycled materials, will gain the right to allocate some of the means saved in this way for modernization projects and other purposes.

A thrifty materials economy is at present a key factor in improving the effectiveness of management and everyone must realize this. As was stated by Comrade Edward Gierek at the 16th plenum of the party Central Committee the practice of the thrifty, rational and effective exploitation of the resources and raw and other materials we have must be applied everywhere. The possibility of continuing the country's development depends on this. Every factor has to define what the requirement to be thrifty means to it, to it as a whole and to every work section and how this is to be achieved. There is still definitely too much wasting of time at work and of raw materials, which are often imported; of instances of output which is not geared to the market and which is of bad quality, and to the insufficient exploitation of the wealth which we created with so much difficulty. We have to achieve a definite improvement in this sphere. Modernizing the standard base for management, in particular bringing up to date the standards for using materials and the standards of work and of filling jobs, and also introducing a standard method of cost accountancy have to be recognized as being a fundamental matter. We shall step up control over the application of standards and over the carrying out of unit production costs and also over the achieved level of net production which in the final analysis is decisive for the achieved level of national income.

The implementation of tasks in the sphere of technical progress and raising the quality and modernity of output is an important direction in trying to improve effectiveness in the whole economy. Effectiveness tasks in investment activity are based mainly on concentrating outlays and fulfillment potential at select and the most important projects, particularly those that are to be handed over for use in 1980. In the foreign trade sphere we direct the effectiveness effort at the quality and completion on time of export output, at its cost, at rationalizing imports and replacing them wherever possible with domestic output. We must strive to negotiate the most favorable prices for goods we export. Discipline in the management of the earning fund will be intensified. The further rationalization of employment and an improvement in how time at work is used and organized and also restriction of unjustified absenteeism and the excessive turn over of cadres must be insured at all enterprises and institutions. The state of affairs in this sector is worrying and we have to take active countermeasures here.

Esteemed citizen deputies: The implementation of next year's basic aims and tasks requires an intensification in discipline and in responsibility for plan fulfillment.

Bearing this in mind we are restoring quarterly planning in spheres which are of decisive importance and we shall also expand and deepen at all levels of administration control over how plan implementation is progressing daily. We are taking steps in all links of the economy aimed at tidying up organizational structures and the organization of work. At all levels of the economy and the administration we shall promote programs intended to achieve an above-plan reduction in expenditure. Above all, it is a matter of reducing material outlays and also personal expenditure, expenditure on administration, official entertainment costs, and also it is a matter of the rational management of funds in the nonproductive sphere. We shall view progress in rational and thrifty management as being one of he fundamental criteria in assessing managerial cadres. Among the workforce, the social aktiv and the economic administration and among the whole public we have to disseminate the awareness that systematic economizing must become a permanent feature of our Polish management.

May it please the house: The draft plan submitted by the Council of Ministers is ambitious and optimistic but at the same time it is a difficult plan, for we do not know exactly how international trade exchange and the credit situation will take shape. Neither do we know today what results we shall have in agriculture and everyone knows of what great importance they are for shaping the situation on the internal market and in foreign trade. It might also turn out that in 1980 some other unfavorable phenomena might arise which we are not in a position to foresee at present.

This makes us face acute demands. We must cope with them in their entirety, on all levels and at all branches of the economy. This pertains to the government and its leadership, this pertains to ministers, voivodship governors, directors of associations and combines, to the scientific superstructure and the technological superstructure, cadres of all enterprises, control organs and all working people. The government will, with all consistency, make sure that all branches of the administration and the economy fulfill their tasks properly. We will concentrate all our resources to fulfill the plan to the best of our ability.

We have a huge and modern production potential. We have abundant reserves of certain raw materials. We have a selfless working class, industrious farmers, ranks upon ranks of a highly qualified intelligentsia. We have numerous young cadres which are full of energy. The development of science, research and the technological progress is of an ever higher benefit to the country. Our society is consolidated, rallying round the PZPR program which is being implemented by the party jointly with the allied parties: The United Peasant Party and the Democratic Party and by all who make up the National Unity Front. We have a society which stands out by its deep patriotism and selflessness, desirous of continuing the cause of the socialist fatherland's development and prosperity.

We belong to the socialist community. Our cooperation with the Soviet Union and other socialist friends constitutes the foundation of Poland's continuing development.

Therefore important trump cards are in our hands: We must use them well, mindful that today it is the patriotism of the deed, expressed by an ever better quality of work, persistence and good management which is a decisive significance.

In the current decade we have proceeded along the ambitious path of solving our country's most vital problems in a modern way, a path of an extensive and dynamic expansion and modernization of the entire economy, a path marked by significant raising of the real incomes, the people's standard of living, an unparalleled development of housing and public construction, the creation of new jobs for many millions of our young people. Huge achievements have been made in every single field mentioned above. These achievements confirm the correctness of the postulates adopted by the party. Life has shown, beyond any doubt, that our strategy for the country's economic development is a correct one.

As for the program of the National Unity Front, adopted by us for the Sejm 1977 elections, it will, in its main outlines, be implemented. Today's Poland is different. Its potential is different too, as is its standard of life. This gives us the right to be satisfied and to be convinced that we have not lost the chance of the seventies and that we are moving forward.

If we had failed to speed up the development of the economy in the current decade, we would have been unable to guarantee work for young people, trained to embark of their working careers; we would have been unable to counteract the fall in the standard of living and the regress in the country's development; we would not have had such possibilities of facing the results of the world-wide fuel and raw materials crisis and the results of shortcomings in agriculture, sustained over a period of many years; we would have been coping much worse with the accumulated difficulties of the year 1979.

May it please the house; over the past few months, the world has had to face new, more complicated problems. We are at present witnessing attempts to undermine the process of detente. Poland and other socialist community countries, have spared and will continue to spare no effort in order to make the positive changes in Europe and the process of detente lasting and irreversible. The Soviet Union's important peace intitiatives which have consistently been put forward time and again and which were powerfully reflected in Leonid Brezhnev's Berlin speech and other public addresses and subsequently in the proposals made by the Foreign Minister's Committee of the Warsaw Treaty member states, aim at lessening the military confrontation, halting the arms race, safeguarding lasting peace and security for Europe and the world.

Militaristic circles chose a diametrically opposed direction of action. NATO's decision to deploy new mass destruction weapons in Europe reflects the desire of these circles to gain a military superiority over the socialist states, thus violating the existing general balance of forces which today constitutes the basis for security in Europe.

This decision deals a blow to European security. The fact that such considerable quantities of new nuclear and missile weaponry are to be deployed on the territory of the Federal Republic of Germany arouses greater vigilance and protest from our people. NATO's policy of first bringing its arms up to strength and negotiating later constitutes an attempt to press for negotiations from a position of force.

We reject this. Negotiations are only possible when conducted according to the principle of equilibrium and equal security for all. Taking a decision which is contrary to the expectations of the peoples, NATO states are trying to destroy the bases for the negotiations, known from the socialist states' proposals. NATO's Brussels decision threatens everyone. This is the cause of the indignation and resolute protests from the world's progressive public opinion which defends mankind's right to live in peace.

Our society has expressed its feelings in no uncertain way. The government shares the opinion contained in today's resolution by the Sejm Foreign Affairs Commission: NATO's dangerous decision on arms should be stopped. There is no sensible alternative to the policy of detente. That is why we will continue to pursue this policy, although Nato's decision has made the conditions for its implementation significantly more difficult.

Along with its allies Poland will persistently strive for implementation of an all-embracing program for military detente, including convocation of a conference on military detente and disarmament in Europe. This is the only real way of overcoming the present negative tendencies and of continuing the process of detente, the way which corresponds to the interests of all peoples of Europe and the world.

Citizen speaker, citizens deputies, the debate, which has been going on for 3 weeks in committees and intercommittee teams and at plenary meetings of the Sejm, had produced a rich crop in the shape of proposals, comments and motions which have been taken into consideration, or will be used in the implementation of the plan and in guiding our economy next year. For the fourth time the government, led by myself, has the honor to present to the Sejm of the seventh term the plan and budget of the state. The Sejm of the present term has always rendered great help to the government, in supporting its activity, and by not sparing critical assessment and comments at plenary sessions, and in Sejm committees. They were helpful and valuable for the government's work.

Also a great help for the government were the opinions, proposals and questions by deputies concerning the lives of citizens, economic and social matters and shortcomings in the work of central and regional administration. For all that, I would like, on behalf of the Council of Ministers, convey cordial thanks to the house and Sejm Presidium.

It is with deep conviction about the correctness of proposed draft of the national socioeconomic plan and budget for 1980 that I would ask the esteemed house for approval. Thank you.

TRADE DELEGATION CONCLUDES AGREEMENT WITH USSR

LD221252 Warsaw PAP in English 2100 GMT 21 Dec 79 LD

[PAP correspondent Leslaw Kolijewicz]

[Text] Moscow, 21 Dec, PAP--A delegation of the Polish Chamber of Foreign Trade has been staying in Moscow to discuss the principles and scope of further development of trade cooperation between Poland and the USSR. At the end of talks a two year programme was signed on the implementation of the cooperation agreement between the Polish Chamber of Foreign Trade and the USSR Chamber of Commerce and Industry in the years 1980-81.

The programme provides for the continuation of the hitherto forms of cooperation and envisages their further expansion. The Polish side is going to intensify its activity in the area of exports, cooperation and specialization of production through a broadly planned exhibition, canvassing and promotion actions.

It was agreed that the Polish foreign trade enterprises will take part in 1980 in numerous international specialized exhibitions to be organized in the Soviet Union. The programme also stipulates that a big exhibition of Polish export products "Sdelano V Polshe" will be organized in Tbilisi as well as will be "Days of Polish Economy and Technology" in Petropavlovsk and Volgograd.

The Soviet side will traditionally participate in international fairs and specialized shows held in Poznan, Poland.

MOSCOW 'ANNOUNCES COUNTERMEASURES' BY EAST AFTER NATO DECISION

LD251210 Belgrade TANJUG in English 1109 GMT 25 Dec 79 LD

["East and Armament"--TANJUG headline]

[Text] Moscow, December 25 (TANJUG)--Following the NATO decision to deploy new missiles in Western Europe, Moscow cites that a new situation offering no way out of the arms race has been created. Moscow notes that the recently adopted NATO missiles plan and the announced U.S. 5-year programme of [word indistinct] military expenditures upset the balance of forces to the detriment of the East. It is in this context that Moscow announces counter-measures by the East.

It is set out that Moscow will take the measures in cooperation with its allies--the Warsaw Pact member-countries. The question of Warsaw Pact higher military funds was raised over a year ago at a Moscow meeting of Warsaw Pact countries' highest party and state leaders.

Psychological preparations for the counter-action of the East are now underway. Note is made however, that the further struggle for strengthening peace, easing international tensions in the spirit of the Helsinki Conference and expanding detente to military [word indistinct] continues the Soviet policy's (?main) goal. This is cited here as a confirmation of readiness to reach agreement on missiles in Europe.

Action at two levels, military and political, is hence anticipated.

TANJUG ASSESSES GROMYKO-WATSON TALKS ON IRAN IN MOSCOW

LD251846 Belgrade TANJUG in English 1753 GMT 25 Dec 79 LD

[Text] Moscow, December 25 (TANJUG)-Soviet Foreign Minister Andrey Gromyko and U.S. Ambassador to Moscow Thomas Watson have met twice in only 4 days. Moscow official sources have not supplied detailed information on the motives and content of the talks, but it is believed that they pertained [word indistinct] important, above all international issues of the nature which necessitates such consultations.

Diplomatic quarters in Moscow link the Gromyko-Watson meetings primarily with the Iranian-U.S. crisis and continued efforts for an acceptable solution to the problem of U.S. diplomats held hostage in the U.S. Embassy in Tehran.

As regards the hostages, the Soviet Union is of the opinion that international [word indistinct] on diplomatic immunity must be respected. However, the Soviet Union is against outside interference in the internal affairs [words indistinct] "in any form and under any pretext". It has been recently confirmed in Moscow that this stand, made public over a year ago, remains unchanged.

Moscow appeals for a solution to the U.S.-Iranian crisis to be sought "by means of political wisdom." Moscow's criticism of U.S. military threats to Iran represents at the same time Moscow's opposition to any pressures that may affect the vital interests of Iran, such as economic blockade. It is not excluded here that such an U.S. retaliation plan was in the focus of the Gromyko-Watson talks. Two meetings in such a short time are taken to indicate that the two sides' (?differ) in the interpretation of the U.S.-Iranian crisis and its causes, especially in their approaches to possible solutions.

COMMENTARY ON OBSERVANCE OF STALIN'S ANNIVERSARY IN USSR

LD171202 Belgrade TANJUG in English 1100 GMT 17 Dec 79 LD

[Text] Belgrade, Dec 17 (TANJUG)--Stalin's birth centenary will be marked in the Soviet Union rather reservedly, at the level of an obligation that cannot be sidestepped. The Belgrade POLITIKA's Moscow correspondent relates his impression, considering that this reserve can be explained by seeing to it that nothing substantially new be said so as not to upset a balanced and for a long time now hushed-up evaluation of the various sides of Stalin's activity.

In the correspondent's opinion, still in force is the well-known official evaluation of Stalin since, in the meantime, nothing has happened that could be taken as an announcement of a deeper-going analysis of the deformations of the political system of socialism during Stalin's times. Involved are deformations which represent a gross breaking up with Lenin and Leninism and with the revolutionary democratic ideas of the Great Russian October Revolution, the paper elaborates.

Things have to go this way, the correspondent concludes, since the Soviet Union came at its time to a critical stand only on the phenomenon of the personality cult and its concrete effects but not on Stalinism as a political system as well.

The correspondent draws attention to the effort to have the political system in the Soviet Union today dissociated as much as possible from the political practice of Stalin's era, and this, as orientation, is tantamount to an effort to develop the democratic ideas of the October Revolution.

VJESNIK REPORTS ON CONDEMNATION OF DISSIDENTS IN POLAND

LD171500 Belgrade TANJUG in English 1300 GMT 17 Dec 79 LD

[Text] Zagreb, Dec 17 (TANJUG)--In its treatment of dissidents, the Polish United Workers' Party (PUWP) must not be indifferent, but also must not draw hasty moves, Polish Premier Piotr Jaroszewicz has said as quoted by the Warsaw correspondent of the Zagreb daily VJESNIK.

In addressing the meeting of a Warsaw party organization, Jaroszewicz said that representatives of the dissident movement try to force on the Poles, especially on younger generations, their concepts and proposals concerning the development of Poland and its policy towards its neighbors "who, throughout the latter-day history of our people, have caused national dramas".

After silence of some length, this is the first public denunciation of dissident groups from above. These groups have tried, Jaroszewicz evaluated, to make use of the present precongress campaign to spread their ideas.

"Recently," the Polish premier asserted, "many criticisms have been leveled against the management of the national economy and the work of the government. We do not reject these criticisms and try to draw adequate lessons from them because we are well aware of shortcomings in the work of the government".

SUNDIC ASSAILS BULGARIAN DUPLICITY, MARKOVSKI APPOINTMENT

ID242218 Zagreb Domestic Service in Serbo-Croatian 1800 GMT 24 Dec 79 ID

[Text] How does BTA explain the election of Venko Markovski, a Cominform emigre, as a member of the Bulgarian Academy of Sciences? The anti-Yugoslav pamphlet "Predanja Zavetna" has been proclaimed a work of art. Here is a commentary by Milika Sundic: [begin recording] A few days ago BTA carried an extensive commentary explaining why Cominform emigre Venko Markovski was elected a member of the Bulgarian Academy of Sciences. Though the commentary is entitled "Who Hinders Good-Neighborly Relations?" its contents leave no doubt whatsoever that Venko Markovski's greatest merits for Bulgarian science are his loyal services to the greater Bulgarian policy and the Bulgarian aspirations for Macedonia and Yugoslavia. Here is proof of this: BTA asserts that Venko Markovski is not only a well-known Bulgarian writer but also a prominent worker of the Bulgarian Communist Party and a veteran of the Bulgarian Revolutionary movement. Immediately following this, however, BTA goes on to say that it is the author Markovski who is behind the book "Svete Legende," which speaks about Yugoslavia and President Tito in the crudest possible way.

This is, as the BTA commentary says, a work of art like any other work of art and therefore does not bind the party and state organs. How odd! What is left then of the previous assertion about Venko Markovski being a prominent worker of the Bulgarian Communist Party and a veteran of the Bulgarian revolutionary movement?

The commentary, true enough, says that the Bulgarian leadership's official assessments of the struggles of the Yugoslav peoples, of the Yugoslav Communist Party and of President Tito are contained in party documents. These assessments, BTA stresses, were expressed in appreciative and clear terms by Todor Zhivkov in his report in connection with the 30th anniversary of the victory over fascism. But in view of the fact that Todor Zhivkov is the first secretary of the Bulgarian Communist Party and chairman of the Council of State, and that Venko Markovski is a prominent worker in the Bulgarian Communist Party and of the Bulgarian revolutionary movement, the question which logically arises is: Where does such a discrepancy between that of which the Bulgarian side continuously assures us and Bulgaria's real behavior toward Yugoslavia come from?

Since the war, the Bulgarian Communist Party has published many documents on the struggle of the Yugoslav peoples in World War II, including some on Bulgarian behavior in that war. The attitude of Dimitrov's Bulgaria toward Macedonia and the Macedonian nation is also known. However, the trouble is that Bulgaria has renounced much of what has drawn us closer but has stuck to that which is in direct contradiction with the truth. Bulgaria does not recognize either the existence of the Macedonian national minority or the existence of the Macedonian nation. The Bulgarian historians falsify, in the crudest possible way, Yugoslavia's contribution to the struggle against fascism and try to conceal that which cannot be concealed: Bulgaria's alliance with fascist Germany, within whose framework Bulgaria oppressed the Macedonian and Serbian peoples.

How else can one explain Venko Markovski's assertion in the book "Svete Legende" about Macedonia having been liberated by the blood of Bulgarian sons, when everybody knows what those Bulgarian sons were doing in Macedonia during World War II? BTA overlooks this in its commentary on Venko Markovski's election as a member of the Bulgarian Academy of Sciences. For BTA this is a work of art, no more and no less.

Everyone knows how Venko Markovski, a Macedonian, became a Bulgarian. It is also known what his merits--which were a decisive contribution to his election as a member of the Bulgarian Academy of Sciences--consist of.

In fact, everything in Bulgaria's behavior toward Yugoslavia is known. Venko Markovski's anti-Yugoslav activity is, in fact, inseparable from the entire policy of the Bulgarian party and state toward the LCY and Yugoslavia. This is the answer to BTA's question put to Yugoslavia in the commentary "Who Hinders Good-Neighborly Relations?" [end recording]

TRADE WITH ALBANIA EXPECTED TO TOTAL $80 MILLION

LD211648 Belgrade TANJUG in English 1606 GMT 21 Dec 79 LD

[Text] Belgrade, Dec 21 (TANJUG)--Yugoslav-Albanian economic relations will this year reach the level of around $60 million. The value of arrangements concluded for this year is $83 million although a value of $53 million has been planned. However, not all the arrangements concluded have been carried out due to the effects of the April 15 disastrous earthquake in both the Yugoslav Constituent Republic of Montenegro and in Albania.

Yugoslav-Albanian economic relations were discussed today by the Yugoslav Federal Economic Chamber. Next year Yugoslav-Albanian trade is expected to reach the level of $80 million, it has been announced.

REPORTAGE ON CELEBRATIONS HONORING ARMY DAY

YPA Greetings to Tito

LD202015 Belgrade TANJUG Domestic Service in Serbo-Croatian 1119 GMT 20 Dec 79 LD

[Text] Belgrade--Greetings in connection with YPA Day have been sent today to Marshal Josip Broz Tito, supreme commander of the Yugoslav Armed Forces, on behalf of all members of the Yugoslav People's Army [YPA] by Gen Nikola Ljubicic, federal secretary for national defense; Admiral Branko Mamula, YPA chief of general staff; and Dane Cuic, president of the League of Communists organization in the YPA.

Celebrating our great holiday together with all the nations and nationalities of Socialist Yugoslavia, we address you, our supreme commander, to express our gratitude for the great revolutionary cause of creating, developing and strengthening the might and esteem of socialist self-managing Yugoslavia and its armed forces, the message states. From the first rebel rifle, through the [word indistinct] battlefields of decisive battles of the liberation war and revolution, and in the days of postwar threat to the legacies of the revolution you have, with your bold and far-sighted decisions, led our armed forces along the paths of victory and constant consolidation.

Fulfilling the tasks set before them by you and the LCY, the members of the (?armed forces have) achieved notable successes in raising the general level of their [word indistinct] training and readiness, in developing healthy relations between people, and also in maintaining and fostering the bright combat traditions from our past.

It is you who give us the stimulus for even greater achievements in all fields of activity, by your example and constant interest in our work and problems, and also by your all-round and tireless commitment to the further elaboration and realization of the concept of all-people's defense and social self-protection, of which you are the instigator and inspirer.

In greeting you on army day, the men and officers of the YPA express to you their unshakable devotion and send to you their warm greetings with the wish that you may for many years yet be at the head of our socialist community and its armed forces.

Tito Meeting With Delegation

LD212307 Belgrade TANJUG Domestic Service in Serbo-Croatian 1725 GMT 21 Dec 79 LD

[Text] Karadjordjevo--The supreme commander of the SFRY Armed Forces, Marshal of Yugoslavia Josip Broz Tito, today received a delegation of the armed forces on the occasion of Yugoslav People's Army [YPA] Day. The delegation was led by Army Gen Nikola Ljubicic, federal secretary for national defense.

Also in the delegation were: Adm Branko Mamula, Col Gens Dane Cuic, Dzemil Sarac, Petar Matic, Enver Cemalovic, Dane Petkovski, Ilija Radakovic, Dusan Vijatovic, Bruno Veuletic, Dusan Korac, Dusan Corkovic, Radovan Vojvodic and Branislav Joksovic, Lt Col Gens Bora Causev and Branko Jerkic, Vice Adm Tihomir Vilovic and Maj Gen Dr Drago Nikolic.

In a long and very cordial conversation, the members of the delegation informed the supreme commander about topical questions of the YPA's development, its further expert training and combat preparedness, as well as about the constant raising of the ideological awareness of members of the JNA and the strengthening of its moral and political unity.

In the conversation there was also some discussion of our country's overall development, the achievements which have been realized and the socioeconomic problems which currently need to be solved resolutely.

Speaking about the international situation and judging it to be very complex and burdened with dangers, President Tito referred in particular to the continuing arms race, which is a cause for concern. In connection with this, he stressed the need for vigilance and for taking measures aimed at further strengthening our defense forces. He is especially interested in the achievements of our military industry and the prospects for its further development.

General Ljubicic and his associates informed the supreme commander of what has been achieved until now in this respect, as well as what is being done currently and future plans, which taken together are a cause for satisfaction and self-confidence.

General Ljubicic congratulated the supreme commander on the holiday--Army Day.

Thanking the members of the delegation for their greetings and warm words, President Tito said, among other things:

"I should like to take this opportunity to congratulate all the members of our armed forces, our army, on the holiday, our army which, thanks to its concern for all of us, for the whole of our community, has reached a high level of combat preparedness and readiness. The army has made a great contribution to the achieving and strengthening of of our country's prestige in the world during and since the war. We can be proud of this prestige. But it strengthened this prestige within the country, above all. Our people love their army. Our people have welcomed and endorsed the concept of all-people's defense with great understanding, a concept which provides for the participation of all citizens in the defense of our socialist country and the defense of the gains of our revolution.

"The creation of our army started at the most difficult time for our country, when the fascists had occupied it and divided it between them. We were particularly seriously affected by the fact that there were a large number of domestic degenerates and traitors and, that Pavelic's Ustashas rushed to the help of the occupying forces, as did Draza Mihailovic's Chetniks and other quisling forces."

The supreme commander then spoke of his recollections of the day which marked the creation of our army, 22 December 1941, when the first proletarian brigade was formed in Rudo. He also recalled his conversations with fighters in those days, to whom he explained the need to transfer to regular units, and he recalled what had preceded the creation of this glorious brigade which, immediately after the inspection in Rudo, had its own fiery christening in fighting with the Italians and Chetniks.

"Speaking to the fighters who were lined up in Rudo on that beautiful sunny day," President Tito went on, "I explained to them the reasons for creating the brigade, emphasizing the type of consciousness which should permeate its fighters. I told them that we would not be fighting over individual villages or for certain landmarks and lose people in this way, but that we would be fighting wherever necessary, but in a way which meant that we would constantly be getting stronger and stronger. I said what the moral character of a fighter should be in such a unit, and that, in contrast to the Chetniks, for instance, they should behave in everything as members of a real regular popular army."

President Tito spoke about the departure for Bosnia and the struggles which followed, as well as about the successes which our units gained there.

"The most difficult part was the beginning," the president said. "The first proletarian brigade played a really enormous role in creating our army. There were many sacrifices, but the number of fighters did not decline, for new ones were constantly arriving. At every pause, before and after the great battles, singing resounded. Also of great influence was the correct attitude toward the peasants. Nothing was to be taken by force. And our people, among other things because of such an attitude toward them, gave all they could. Apart from this, as early as Uzice, national liberation committees were formed and they played an enormous role from the beginning. Their task was also to look after the supplying of our units, which they carried out successfully."

"In short, the creation of the first regular unit of our people's army represents a great event. Many do not realize the greatness of this act. We did this, as was necessary and normal. But today, when we look at this from the distance of history, we see the greatness of the undertaking."

"The birth and creation of our army is not something which is an everyday event. This was a united event in the struggle of peoples for their freedom and independence. Similar uprisings most often failed, but our national liberation army constantly grew and was strengthened. This was the result of the policy which we were carrying out, the correct attitude toward the people, and of clearly pointing to the prospects opened up by our struggle. Our struggle was constantly growing and because of this we did not allow individual setbacks to grow into defeats. Our standpoint was: If we need to retreat somewhere, then we must compensate somewhere else in order to maintain morale and strengthen it even more."

After speaking about individual battles in various parts of the country and about the heroism of the remaining proletarian and other units of our national liberation army, the supreme commander said: "To wage war against such an enormous enemy, armed to the teeth, and to come out of that war a victor is no small matter. Our units transformed themselves into an ever greater and more powerful combat force, so that at the end of the war our army had reached 800,000 fighters. Our army grew up out of the people and because of this our people love it so much. But in the same way as the army grew, so did its commanding cadres. We also had courses and schools, but people in general studied and were diligent on the battlefield, in the battles with the enemy, arm to arm. The officers advanced not according to the wish of anyone but by the assessment and desire of the fighters themselves. And that is why I say that our army, of which we can really be proud, was created in a united way."

"This holiday is of enormous significance, not only as a cause to recall the past but also for the new generations of citizens and especially members of the armed forces and territorial defense, for it is necessary to pass on these experiences from our struggle to the younger ones. Of course, the army today cannot be compared with that of the national liberation struggle as regards armaments, nor can it be compared with it at the end of the war, although it was at that time quite well armed. But today we must nurture the traditions from wartime and the morale which existed among the fighters and in our communist party."

"Well, comrades, I wanted to say this to you, the current leaders of our army: Continue your work aimed at the further perfection of the army. The resources which are needed for this are given willingly by our people. The people know that we need defense and that it depends on all of us, and not only on the army. But the army is one of the basic guarantees that Yugoslavia can never again be anyone's pawn, and that no one will dare to encroach on our freedom and independence. Our people is ready, if necessary, to fight together with the army. I am particularly satisfied with the moral and political situation in the army. I wish you much success in your further work," Marshal Tito said finally.

The reception was also attended by Berislav Badurina, chef de cabinet of the president of the republic, and Rear Adm Zvonimir Kostic, adjutant of the supreme commander of the armed forces. This evening, Army Gen Nikola Ljubicic, federal secretary for national defense, organized a dinner in honor of the supreme commander, which was also attended by the members of the armed forces delegation.

Ljubicic Speech

LD212144 Belgrade TANJUG Domestic Service in Serbo-Croatian 1754 GMT 21 Dec 79 LD

[Text] Karadjordjevo--In connection with Yugoslav People's Army Day President Tito today received a Yugoslav People's Army delegation led by Gen Nikola Ljubicic, federal secretary for national defense. Following Tito's welcoming speech, General Ljubicic said:

"The eve of tomorrow's holiday represents an opportunity to go back at least for a moment to those glorious days which marked a turning point for all our nations and nationalities. Born in this exposed spot in the Balkans and whipped by storms and tempests of a restless history, our peoples experienced for the first time a fortunate circumstance on that historic day in 1937 when you took over the leadership of the party and when you took the destiny of our peoples into your hands." The federal secretary then dealt with some more important moments in the setting-up of our army and the development of the liberation struggle. Going back in memory to those glorious days, in General Ljubicic's words, awakens sincere sentiments and points to the fact that we must continually take into account the achievements of the revolution.

"Under your leadership, Comrade Marshal," General Ljubicic went on, "we have achieved deeds of such historical magnitude of which there are few in history, precisely because in all the periods of our story development we have successfully resisted all trials and tribulations. For all this, the working class and the working people of our country as well as army members are infinitely grateful to you. They are grateful to you because you have always managed the destiny and the interests of man, whether it be a question of concern for the wounded, of worker in associated labor or of man in the world over whom the dangers of war ravage and destruction still hang."

The federal secretary then went on:

"In fighting actively for peace and in implementing your attitudes, Comrade Marshal, we are building up a powerful system of all-people's defense and social self-protection as an integral part of self-managing socialist socioeconomic relations. We must do this because we are conscious of living in a time and space when contribution to peace and independence is measured by the might of defense.

"Therefore, the Yugoslav concept of all-people's defense war is our reply to the military-political reality in international relations and the expression of our desire to live in peace and in freedom on our soil. In line with these orientations we are today building up our armed forces in order that they might respond to the most difficult conditions in which the country can find itself.

"During its growth and development, over nearly 4 decades, our army, in view of its material-technical, organizational-formation, cadre and other kind of equipment, has become one of the modern armies of the world. The Yugoslav People's Army is armed for battle on all battlefields, on land, on sea and in the air, and represents the backbone of the system of all-people's defense and social self-protection.

"Another significant component of our armed forces is the territorial defense--a million-strong force of our system of all-people's defense, which is continuously growing in numbers and further strengthening."

General Ljubicic stressed that particular attention is paid to the modernization of all aspects of the armed forces, the training of units and commands. He thanked Tito for everything he has done to make the Yugoslav community richer and to allow it to build a better future in peace.

General Ljubicic then went on to stress that particular attention is being paid to the technical modernization of all aspects of the armed forces, the training of units and commands as well as to the training of the people and the young. "I must stress," the federal secretary went on, "that we are particularly satisfied about the situation in the army being sound and morally and politically strong; among the officer cadre a spirit of unity as the basis for action prevails. Action is based on socialist patriotism, love for the homeland, on faith in man and in one's own strength and to this we shall continue to pay significant attention in the future. In this work of ours, Comrade Tito, we are guided by your words spoken at the 10th congress, that one should fight for that which is human among the people, for increasingly better and humane relations, for man as free producer and creator.

"Working on the further development and strengthening of our armed forces, in particular today when the situation in the world is very complex with an uncertain future, we promise you, Comrade Marshal, that we shall do everything possible to have our armed forces equipped with even more modern means in order that they might be even stronger in the defense of the independence and integrity of our socialist community. Members of the army will be the zealous workers of peace and nonalinement and the resolute guardians of the achievements of the revolution, this being the only criterion of our existence and life in peace, independence and freedom.

In ending his speech, General Ljubicic said:

"For everything which you, Comrade Tito, have done and are doing to make our community even richer, to have us build in peace our even better future, everybody, both members of the armed forces, as well as citizens who, in following your strategy are also the potential defenders, are deeply grateful to you and are sending you, in connection with the Army Day, cordial congratulations and best wishes."

Tito Meeting With Veterans

LD221758 Belgrade TANJUG Domestic Service in Serbo-Croatian 1455 GMT 22 Dec 79 LD

[Text] Karadjordjevo--Josip Broz Tito, the president of the republic, today received Kosta Nadj, president of the Federal Committee of Yugoslavia's Federation of Veterans' Associations [SUBNOR] and Bogden Pecotic, president of the Federal Conference of the Reserve Officers' Association of Yugoslavia. They were accompanied by Anton Turnher, general secretary of the Federal Committee of SUBNOR; Sreten Zaric, general secretary of the Conference of the Reserve Officers' Federation; and Beno Ruso, president of the Reserve Officers' Association of Macedonia. Kosta Nadj and Bogden Pecotic acquainted President Tito with the activities of these two organizations and in particular with their work within the framework of SAWPY.

President Tito expressed satisfaction with the involvement of the veterans' federation in resolving issues which concern the status of veterans in our society. In this connection he stressed the great role which this organization plays in our entire sociopolitical life. President Tito also spoke about the importance of the work of the reserve officers' association in the continuous training and education of the reserve officers' cadre and about their importance in the system of all-people's defense.

Pointing to some topical tasks and problems which our country faces today, above all in the economic sphere, President Tito expressed his conviction that members of those organizations would make a significant contribution to the resolution of these problems. The activity of these two organizations is all the more necessary, President Tito said among other things, since we live in very complex international conditions and since mankind is confronted by numerous dangers to peace.

Bogden Pecotic handed President Tito the golden plaque awarded to him by the participants in the ninth brotherhood and unity meeting of reserve officers held in Stip this year. At the end of the conversation, Kosta Nadj and Bogden Pecotic congratulated President Tito, on behalf of members of these organizations, on the Yugoslav People's Army Day.

Army Gen Nikola Ljubicic, federal secretary for national defense, and Berislav Badurina, chef de cabinet of the president of the republic, also attended the meeting.